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IMPLICATIONS OF TREATY ON FINAL GERMAN SETTLEMENT FOR NATO STRATEGY AND U.S. MILITARY PRESENCE IN EUROPE

HEARING

BEFORE THE

COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE

ONE HUNDRED FIRST CONGRESS

SECOND SESSION

OCTOBER 4, 1990

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IMPLICATIONS OF TREATY ON FINAL GERMAN SETTLEMENT FOR NATO STRATEGY AND U.S. MILITARY PRESENCE IN EUROPE

THURSDAY, OCTOBER 4, 1990

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

The committee met, pursuant to notice, at 2:06 p.m., in room SR-222, Russell Senate Office Building, Senator Sam Nunn (chairman) presiding.

Committee members present: Senators Nunn, Exon, Levin, Dixon, Gore, Warner, Thurmond, Wallop, Gorton, and Lott.

Committee staff members present: Arnold L. Punaro, staff director; Lucia M. Chavez, research assistant.

Professional staff members present: Robert G. Bell, Richard E. Combs, Jr., Douglas George, John J. Hamre, David S. Lyles, and Michael J. McCord.

Minority staff members present: Patrick A. Tucker, minority staff director and counsel; Brian D. Dailey, Judith A. Freedman, Ronald P. Kelly, George W. Lauffer, John E. Mansfield, and Ann Elise Sauer, professional staff members.

Staff assistants present: Elizabeth Ann Harlow, Claire M. Kelly, Lisa H. Kettlewell, Cindy Pearson, and Mickie Jan Wise.

Committee members' assistants present: Andrew W. Johnson, assistant to Senator Exon; Kenneth N. Luongo, assistant to Senator Levin; William J. Lynn, assistant to Senator Kennedy; Charles C. Smith, assistant to Senator Dixon; Leon S. Fuerth, assistant to Senator Gore; Terence M. Lynch, assistant to Senator Shelby; James M. Bodner, assistant to Senator Cohen; Patrick F. McCartan, assistant to Senator Wilson; Anthony H. Cordesman, assistant to Senator McCain; Lee E. Whittaker, assistant to Senator Wallop; Robert M. Soofer, assistant to Senator Gorton; Charles G. Pearcy, assistant to Senator Lott; and Eric H. Thoemmes, assistant to Senator Coats.

OPENING STATEMENT OF SENATOR SAM NUNN, CHAIRMAN

Chairman NUNN. The committee will come to order. We have a number of members who will be coming in and out today because we have the defense conference going on and our people are tied up in panels. I think the number of people here will not be in any way indicative or proportionate to the interest in this extremely important matter.

We meet today to receive testimony from the executive branch on the national security implications of the Treaty on the Final

Settlement with Respect to Germany. This historic treaty was signed by the foreign ministers of the United States, Great Britain, France, and the Soviet Union, and the two Germanies, on September 12, and submitted by the President to the Senate for its advice and consent on September 26.

On Tuesday, the Foreign Relations Committee reported the treaty favorably by a vote of 19 to 0. The Majority Leader has indicated that floor action is likely before adjournment. At a meeting in New York earlier this week, the four victorious World War II powers announced the suspension of their rights and responsibilities in Berlin and the whole of Germany.

At midnight Tuesday the two Germanies became a single, democratic nation, thereby fulfilling one of the paramount objectives of the western democracies in the post World War II era. I am sure I speak for all the members of the Committee on Armed Services when I say that we were deeply gratified to see the television coverage yesterday of the midnight celebrations in Berlin, a day that most of us did not believe we would be alive to see, and certainly not at this stage.

We would also like to pay tribute to the steadfastness of the American service men and women and the military personnel of our allies in NATO over these 40-odd years. We also have to pay tribute to the willingness of the American taxpayers to bear the cost of the extensive American commitments without which this historic event would not have been possible.

The focus of our hearing today is on the implications of this treaty for NATO strategy and for future U.S. military presence in Europe. We also want to clarify the meaning of various provisions of the agreement to the extent that that is possible. Our interest in the implications of the treaty for the U.S. military role in Europe is certainly not academic. Our conference on the 1991 Defense Authorization Act began on Tuesday. Panels right now are in the process of deciding burden-sharing provisions. I see Senator Dixon here and Senator Gorton. They have been very involved in negotiating on their panels.

We are also trying to decide the U.S. troop levels in Europe for fiscal year 1991 in our bill, in our conference, as well as the active duty end-strengths for fiscal year 1991 and 1995.

I have to add a personal aside here. I think as important as the Middle East is—and it is important, no doubt about that—as important as the events in Saudi Arabia and Kuwait are, I think that the future of United States security policy will be more affected by events in East Europe over the next 2 years than they will by events in the Middle East.

Everything is relative, but I happen to believe that what transpires in Poland economically, and not just Poland, but they are leading the way in market economies, may be the thing that we are most affected by over the next few years and over the long term, because what happens in Poland, Czechoslovakia, Hungary, and certainly in East Germany will have a profound effect on events in other parts of Europe and the Soviet Union and that will have a tremendous effect on our security requirements in the future.

So I hope, as we turn our attention to the Middle East, that we do not lose the enormous importance of the developments here represented by this treaty, and particularly I hope we do not lose our focus on the importance of the Polish experiment in free market economy succeeding. I am afraid that we are losing our focus to some extent, and we may wake up to greatly regret that in the future.

In establishing our manpower ceilings, it is important for us to know what plans the Defense Department is making for our security posture in Europe. The administration has insisted that the United States must maintain a corps strength force with a minimum of 195,000 troops in Western Europe for the indefinite future. Of course, the word "indefinite" in itself is indefinite, and I understand that, but we have to ask questions about what would be the mission of that size force, against what threat would it defend, where will it be deployed, and under what strategy would it operate?

I would have to tell all of you, I do not expect every one of my questions to be answered in full today, but I think we need to pose those questions, and we need to get the best answers that you gentlemen are capable of giving, and tell us where you are going in the future.

I note in your prepared statement, General Sewall, you say that NATO strategy "will seek to transition from forward defense toward forward presence." That is a very, very important statement, and I will be exploring with you what you mean by that.

Does this mean that NATO no longer envisions maintaining the current, what I would call "layer cake," posture in Germany under which the corps from allied nations are assigned forward sectors of defense responsibility with general defense positions stacked along a north-south axis? If NATO plans to move away from this layer-cake defense and shift to a more flexible posture, one in which thin screening forces will serve well forward as an advance element for large maneuver units held in reserve, then what is the U.S. role in that kind of new strategy? What would the 195,000 troops contribute in that kind of defensive posture? Or, as this committee has declared, should NATO and the United States implement over the next several years a new kind of reinforcement strategy that would require significantly lower levels of U.S. forces in Europe; for example, on the order of 50,000 to 100,000 troops?

So these are all very important questions that we are considering now in our conference, and certainly will be considering even more next year, and yours, general, is the first reference I have seen to a new thinking of NATO strategy. I am sure that our committee members are going to be very interested in that.

The treaty that is now before the Senate bears directly on all of these questions. The treaty recognizes the right of the united Germany to belong to NATO with all the rights and responsibilities arising therefrom. This is a magnificent triumph of western diplomacy and tenacity over the years.

The treaty also sanctions the presence through 1994 of hundreds of thousands of Soviet troops on Germany soil. Thus, the treaty has the paradoxical effect of allowing the deployment of Soviet armed forces in great numbers within NATO territory.

Assuming that NATO's security commitment extends, now, to all of Germany—that is a question and an assumption—how does NATO defend all of its territory against what remains of the Soviet threat when Soviet forces are garrisoned well behind the easternmost border of the NATO area?

After 1994, when the Soviet forces will have withdrawn from the united Germany, the treaty prohibits the stationing or deployment of non-German NATO forces and all nuclear weapons and nuclear weapons carriers in the eastern part of Germany.

Questions that come from that: how does NATO plan to defend all of its member nations' territories if non-German NATO units cannot be stationed or deployed in part of that territory? Can allied forces conduct training exercises or maneuvers in this area? The answer to that question, I think, and many questions that come from that, would appear to depend on the meaning of the word "deployed" as it is addressed in Article 5 of the treaty and in the treaty's Agreed Minute.

So the question of how we interpret, and how the other parties interpret, the word "deployed," is a very important issue that goes to the fundamentals of NATO's strategy in the future.

To help us in addressing these and other questions, we will hear from a panel of witnesses that includes the Hon. Stephen J. Hadley, Assistant Secretary of Defense for International Security Policy, Major General John Sewall, Vice Director for Strategic Plans and Policy (J-5), Joint Chiefs of Staff, and Mr. James Dobbins, Principal Deputy Assistant Secretary of State for European and Canadian Affairs.

Gentlemen, before we proceed with the open session of the hearing, I would like to confirm that the committee can consider your testimony as authoritative insofar as it is directed to the meaning and legal effect of the treaty. Secretary Hadley, what do you say to that? Are you an authoritative witness here on behalf of the Bush administration and the executive branch?

Mr. HADLEY. We have tried to field three authoritative witnesses to give you a complete view of this treaty.

Chairman NUNN. Did you succeed?

Mr. HADLEY. You will be the judge, Mr. Chairman, somewhat later.

Chairman NUNN. It is not an insignificant question. I guess what we are really asking is if you are speaking for the Bush administration with full authority today?

Mr. HADLEY. We are.

Chairman NUNN. Mr. Dobbins, do you agree with that?

Mr. DOBBINS. Yes, sir.

Chairman NUNN. General Sewall?

General SEWALL. Yes, sir.

Chairman NUNN. We plan to proceed first in open session. Following the open hearing we will move over to our other hearing room in 232A to discuss some sensitive intelligence matters, and we will try to minimize the closed session, but I would ask our witnesses if we come up with a question here that you believe can only be handled in closed session, we would take notice of that and you let us know. Senator Warner.

Senator WARNER. I pass, Mr. Chairman.

Chairman NUNN. Any other members?

Senator DIXON. Mr. Chairman, I ask that my statement be placed in the record. I have to meet in Mr. Punaro's office to see if we can resolve some issues on my subcommittee in the conference.

Chairman NUNN. You have had one meeting on that, and you are meeting again today?

Senator DIXON. Yes. We are meeting for the third time this afternoon, but we have some matters resolved. I only want to read one sentence from my statement.

I know my German ancestors—my mother was a Tebbenhoff, and her mother was a Washhausen—would swell with pride at the reunification of Germany. Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Dixon.

[The prepared statement of Senator Dixon follows:]

PREPARED STATEMENT OF SENATOR ALAN J. DIXON

Mr. Chairman, today is the second day of a new era for the German people. They are beginning to live out the dream of German unification. It is the realization of all those who have toiled for peace since the final days of World War II. I know my German ancestors—my mother was a Tebbenhoff and her mother a Washhausen—would swell with pride at the reunification of Germany.

The end of the cold war in Europe has resulted in the beginning of the greatest transformation of peoples and economies in modern history. It is a heady time, and yet, a time fraught with possible pitfalls.

We are here this morning to examine the role of the United States in the further evolution of a united Germany, as well as gather information as to the administration's view of the military responsibilities of the United States and the allied forces in a reunited Germany.

I look forward to this afternoon's testimony.

Chairman NUNN. If there are no other opening statements, how do you propose to proceed? Do you want to go first, Mr. Secretary?

Mr. HADLEY. Why don't we do that, Mr. Chairman? We each have individual opening statements. They are very brief because we felt the focus of the hearing was to respond to questions of members. We can either submit those opening statements——

Chairman NUNN. I would like to have the opening statements in whatever form you choose. If you can summarize them, that would be fine. We have a lot of questions.

Mr. HADLEY. Well then, let us proceed briefly. We will summarize our statements in turn.

STATEMENT OF HON. STEPHEN J. HADLEY, ASSISTANT SECRETARY OF DEFENSE (INTERNATIONAL SECURITY POLICY)

Mr. HADLEY. We appreciate the opportunity, Mr. Chairman, to appear here today to discuss this treaty with respect to the final settlement with Germany, also known as the Two-Plus-Four Treaty. My remarks will focus on the implications of the treaty for NATO strategy and future U.S. military presence in Europe.

The strategic implications of German unification are many. The end to the de facto occupation of German soil by Soviet forces is now in sight, with all Soviet troops to return to their homeland by the end of 1994.

The unified Germany as a member of the NATO alliance will, we believe, enhance stability in Europe. The modern Federal Republic we see today, with a strong economy and firmly-rooted democratic

traditions, is in no sense a threat to the U.S.S.R. or to its neighbors. The increase in strategic depth represented by German unification and the removal of Soviet troops from Eastern Europe constitutes a major enhancement of the security of Europe.

There is talk these days about a new European security order. As this process evolves, NATO is reviewing its political and military strategies in light of the new circumstances in Europe. The proposed conventional forces agreement, ongoing Soviet unilateral troop withdrawals, and the emerging geopolitical realities in Central and Eastern Europe will enable NATO to move toward a reduced forward presence, a reduced reliance on nuclear forces, smaller and restructured active forces which are highly versatile and rely increasingly on multinational corps composed of national units, and greater reliance on reserves and the ability to reconstitute larger forces as and when necessary.

The new security order, however, must preserve key elements of the present structure. For example, an adequate mix of conventional and nuclear forces must be maintained. Nuclear weapons, widely and equitably deployed, will still play a key role in deterrence as will U.S. and Canadian forces in militarily significant numbers.

In the emerging European environment we believe NATO will continue to play the key security role for the allies and that it will remain the primary U.S. security linkage to Europe. While the CSCE and other institutions can play a useful role, NATO has over 40 years of experience as a promoter of stability dedicated to the shared military, political, and economic values of its members. It has achieved its longstanding objective of overcoming the division of Europe and will continue to be a model alliance against which all subsequent architecture is compared.

The United States has, with the Treaty on the Final Settlement with Respect to Germany, satisfied its objective of suspending the Four-Power rights and establishing full German sovereignty. This final settlement establishes defense relationships which will contribute to peace and stability in Europe, the most significant of which is a continued membership of the Federal Republic in the NATO alliance.

We were pleased that we were able to reach such a historic agreement in such a short period of time and look forward to its ratification. Thank you, Mr. Chairman.

[The prepared statement of Mr. Hadley follows:]

PREPARED STATEMENT OF STEPHEN J. HADLEY, ASSISTANT SECRETARY OF DEFENSE, INTERNATIONAL SECURITY POLICY

THE TREATY ON THE FINAL SETTLEMENT WITH RESPECT TO GERMANY

Mr. Chairman, members of the committee. I appreciate the opportunity to appear here today to discuss the Treaty On The Final Settlement With Respect To Germany, also known as the Two-Plus-Four Treaty. My remarks will focus on the implications of the Treaty for NATO strategy and the future U.S. military presence in Europe.

In a year of profound political changes in Europe, perhaps the most remarkable change has been the unification of Germany. On October 3, the territory of the German Democratic Republic merged into the Federal Republic of Germany. This represents an enormous success for U.S. post-war foreign policy.

The strategic implications of German unification are many. The end to the de facto occupation of German soil by Soviet forces is now in sight, with all Soviet

troops to return to their homeland by the end of 1994. A unified Germany as a member of the NATO alliance will, we believe, enhance stability in Europe. The modern Federal Republic we see today, with a strong economy and firmly rooted democratic traditions, is in no sense a threat to the U.S.S.R. or its neighbors. The increase in strategic depth represented by German unification and the removal of Soviet troops from Eastern Europe constitute a major enhancement of the security of Europe.

There is much talk these days about a new European security order. As this process evolves, NATO is reviewing its political and military strategies in light of the new circumstances in Europe. The proposed conventional forces agreement, ongoing Soviet unilateral troop withdrawals, and the emerging geopolitical realities in Central and Eastern Europe will enable NATO to move toward a reduced forward presence; a reduced reliance on nuclear forces; smaller and restructured active forces which are highly versatile and rely increasingly on multinational corps composed of national units; and greater reliance on reserves and the ability to reconstitute larger forces as and when necessary.

The new security order, however, must preserve key elements of the present structure. For example, an adequate mix of conventional and nuclear forces must be maintained. Nuclear weapons, widely and equitably deployed, will still play a key role in deterrence along with U.S. and Canadian forces in militarily significant numbers.

What, then, can we expect from a united Germany in NATO? We believe that we will see continued strong support for the alliance based on a firm commitment to freedom, democracy, and western values. I suspect we will see a more confident Germany; a nation more sure of itself and its new national identity.

In the emerging European environment, we believe NATO will continue to play the key security role for the allies and that it will remain the primary U.S. security linkage to Europe. While the CSCE and other institutions can play a useful role, NATO, with over 40 years of experience as a promoter of stability, dedicated to the shared military, political, and economic values of its members, is the rock upon which a more secure Europe can grow and prosper. It has achieved its long-standing objective of overcoming the division of Europe and will continue to be a model against which all subsequent architecture is compared.

The United States has, with the Treaty On The Final Settlement With Respect To Germany, satisfied its objective of suspending Four Power rights and establishing full German sovereignty. This final settlement establishes defense relationships which will contribute to peace and stability in Europe, the most significant of which is the continued membership of the Federal Republic of Germany in the NATO alliance. We are pleased that we were able to reach such a historic agreement in such a short time period and look forward to its ratification.

This completes my formal statement. Thank you.

Chairman NUNN. Thank you, Mr. Secretary. Mr. Dobbins, would you like to go next? Then we will hear from General Sewall.

STATEMENT OF HON. JAMES F. DOBBINS, JR., PRINCIPAL DEPUTY ASSISTANT SECRETARY OF STATE FOR EUROPEAN AND CANADIAN AFFAIRS

Mr. DOBBINS. Thank you, Mr. Chairman. I will summarize from the testimony that I have the key provisions of the treaty that has been submitted. I will run through those very quickly.

Perhaps the two key provisions are the ones in which Germany's borders are settled and determined. This is in Article 1 of the Treaty.

The second key provision from our standpoint is in Article 6 of the treaty, which makes clear that a united Germany is free to belong to the alliance of its choice. This means that Germany is and will remain a full member of NATO.

Articles 3, 4, and 5 elaborate measures designed to meet the security interests of all of the participants and to enhance European security in general. Article 3 contains a reaffirmation of German pledges regarding nuclear, biological, and chemical weapons; in

particular, continued German adherence to the nonproliferation treaty. This does not entail a change in the commitments previously made by the Federal Republic, but serves as a reassurance that these will continue to apply to a united Germany.

Article 3 also contains a statement about the unilateral political German commitment to reduce its armed forces to 370,000 men.

Article 4 contains a statement specifying that the Soviet Union will conclude a treaty with united Germany on the terms of the withdrawal of Soviet troops from the present GDR. We understand that this treaty has been concluded and initialed and that it does, as stated in Article 4 of the Final Settlement, contain a Soviet commitment to complete their withdrawal by the end of 1994.

Article 5 contains provisions relating to present GDR territory and Berlin during the period when the Soviets are withdrawing and following the completion of their withdrawal.

Paragraph 2 of this article specifies that at German request allied troops can continue to be garrisoned in Berlin while the Soviets are still present. Paragraph 2 also contains provisions relating to the status, size, and equipment of all non-German troops in Berlin.

Paragraph 3 of Article 5 specifies that once Soviet troops have withdrawn, German troops assigned to NATO may be stationed in current GDR territory. These troops are not to be equipped with nuclear-capable weapons or their carriers, but they may be equipped with dual-capable weapons provided these are designated only for a conventional role.

Paragraph 3 also specifies that following the Soviet withdrawal, foreign troops, nuclear weapons, and their carriers may not be deployed in the present GDR territory. The intent of this is made clear by the Agreed Minute which states that decisions in this regard shall be made by the united Germany in accordance with the provisions of the preamble of the treaty that the security interests of all participants should be taken into account.

Our interpretation of this provision is that large-scale maneuvers as these as defined in the Stockholm Document are not to be permitted but that smaller-scale activities may take place at the discretion of the German Government.

I have gone over the key provisions of the agreement and would be happy to go into them further at your discretion. I would simply conclude by saying that we believe that this agreement met all of our essential objectives in this negotiation and is, indeed, as you have suggested, a triumph of American diplomacy and policy over 45 years.

[The prepared statement of Mr. Dobbins follows:]

PREPARED STATEMENT OF JAMES F. DOBBINS JR., PRINCIPAL DEPUTY ASSISTANT SECRETARY OF STATE FOR EUROPEAN AND CANADIAN AFFAIRS ON THE TREATY ON THE FINAL SETTLEMENT WITH RESPECT TO GERMANY

Mr. Chairman, members of the committee:

I welcome this opportunity to appear before the committee to discuss the Treaty on the Final Settlement with Respect to Germany. I am particularly pleased to be here because this is an occasion on which we can all be proud. This treaty represents a triumph of American foreign policy.

For 40 years the United States and its allies have sought the unification of Germany in peace and freedom. As we saw in the ceremonies and celebrations that took

place yesterday in Berlin and in Bonn and elsewhere in Germany, the achievement of this goal is now at hand. Germany is united, Germany is democratic, and Germany is free.

This is cause for rejoicing not just in Germany, but also here in Washington—as the President did yesterday—and everywhere in the world where people cherish democracy.

Time allows me only a short summary of the factors that have brought about this momentous event. Paramount, of course, were the perseverance of the German people and the heroism that brought about a peaceful revolution in East Germany. We can take great satisfaction, however, that the long, steadfast defense of the freedom of West Germany and Berlin by the American people, by the Congress, and by all our Presidents from Harry Truman to George Bush, was a major contribution.

The United States entered the Two-Plus-Four negotiations guided by four principles—enunciated by President Bush to NATO on December 4 of last year and by Secretary of State Baker in a speech in Berlin on December 12. These principles were: (1) that the self-determination of the German people must be pursued without prejudice to its outcome; (2) German unification should occur in the context of Germany's continued commitment to NATO and the European Community; (3) unification should be a peaceful, step-by-step process that enhanced long-term European stability; and (4) that questions concerning Germany's borders should be settled according to the principles of the Helsinki Final Act.

The Treaty on the Final Settlement with Respect to Germany embodies all these principles. Unification has come about peacefully, according to the freely-expressed wishes of the German people. Germany's borders are settled—per Article 1 of the treaty—in a manner consistent with Helsinki. Perhaps most importantly from the perspective of this committee, as stated in Article 6 of the treaty, the united Germany is free to belong to the alliance of its choice. This means Germany is and will remain a full member and partner in NATO.

While this provision is in many ways the key one in terms of our security concerns, Articles 3, 4, and 5 elaborate measures designed to meet the security interests of all the participants and to enhance European security in general.

Article 3 contains a reaffirmation of German pledges regarding nuclear, biological, and chemical weapons, in particular continued German adherence to the Non-Proliferation Treaty. This does not entail a change in the commitments previously made by the FRG, but serves as reassurance that these will continue to apply to the united Germany.

Article 3 also contains a statement of a unilateral German commitment to reduce its armed forces to 370,000. This statement is made in the context of CFE and is designed to facilitate CFE follow-on negotiations once the CFE agreement has been signed. While this statement does not entail a legally binding commitment the way other provisions of the treaty are legally binding, it represents a political commitment that the united Germany is pledged to observe in expeditious fashion.

Article 4 contains a statement specifying that the Soviet Union will conclude a treaty with the united Germany on the terms of the withdrawal of Soviet troops from present GDR territory and Berlin. Our information is that this bilateral treaty has been negotiated and contains, as stated in Article 4 of the Treaty on the Final Settlement, a Soviet commitment to complete their withdrawal by the end of 1994. This is a legally-binding Soviet commitment and represents achievement of a key security goal.

Article 5 contains provisions relating to present GDR territory and Berlin during the period when the Soviets are withdrawing and following the completion of their withdrawal. Paragraph 1 indicates that there will be no NATO troops in this territory for the time period that the Soviets are still present in accordance with the German-Soviet treaty and Article 4. It does allow for Germany's defense of its territory in the form of a territorial army.

Paragraph 2 specifies further that, at German request, allied troops can be garrisoned in Berlin while the Soviets are still present. Paragraph 2 also contains provisions relating to the status, size, and equipment of troops in Berlin.

Paragraph 3 of Article 5 specifies that once Soviet troops have withdrawn, German troops assigned to NATO may be stationed in current GDR territory. These troops are not to be equipped with nuclear weapons or their carriers, but may be equipped with dual-capable weapons provided these are designated only for a conventional role. Foreign troops, nuclear weapons, and their carriers may not be stationed in that territory following the Soviet withdrawal.

Paragraph 3 also specified that following the Soviet withdrawal, foreign troops, nuclear weapons, and their carriers may not be "deployed" in present GDR territory. The intent of this is made clear by the Agreed Minute, which states that deci-

sions in this regard shall be made by the united Germany in accordance with the provisions of the Preamble of the Treaty that the security interests of all the participants should be taken into account.

Our interpretation of this provision is that large-scale maneuvers, as these are defined in the Stockholm agreement, are not to be permitted, but that smaller-scale activities may take place at the discretion of the German Government. While the Germans may not wish certain types of smaller-scale activities to take place at certain times, our view is that freedom of decision is preserved in this regard.

Taken together, these provisions form a package that balances the security interests of Germany and the other participating states. They will ensure achievement of our overall objective in the Two-Plus-Four process: establishment of a democratic German state that is whole and free as a major step on the road to a Europe that is whole and free.

I will be pleased to answer your questions.

Chairman NUNN. Thank you, Mr. Dobbins. General Sewall.

STATEMENT OF MAJ. GEN. JOHN O. B. SEWALL, USA, VICE DIRECTOR FOR STRATEGIC PLANS AND POLICIES (J-5), JOINT STAFF

General SEWALL. Thank you, Mr. Chairman. I, too, am pleased to be here with the committee and have the opportunity to discuss with you the views of the chairman and the other service chiefs. I obviously will focus on the restrictions or conditions and their military implications for our planning.

With the unification of Germany, the rights and responsibilities of the Four Powers relating to Germany and Berlin have, of course, been suspended. They will be terminated upon entry into force of the treaty.

Four-Power responsibilities will transfer to German authorities, Four-Power institutions will disband, and U.S. military activity in Germany will be subject to a number of selected restrictions which I will mention in a minute.

I think our bottom line is that these restrictions are acceptable to the Joint Chiefs of Staff and, in our judgment, are compatible with the evolution and ongoing review of NATO strategy. In essence, extended warning time and, I would say, the virtual removal of any possibility of a short warning attack on NATO countries by the Warsaw Pact has in fact dramatically reduced any risk associated with these restrictions.

I mentioned the ongoing review of NATO strategy, and you have already mentioned one of these aspects, Mr. Chairman. Clearly, I think NATO is transitioning to become a broader alliance of collective security as opposed to purely a defensive alliance. As I mentioned, both military strategy and political guidance are being reviewed, and the military strategy review is currently in process.

In general terms, as you indicated, the strategy will seek to transition from forward defense as we understood it before toward forward presence. As Mr. Hadley said, forward deployed forces will be smaller, with greater emphasis on mobility and versatility, to allow maximum flexibility in times of crisis. We will continue to emphasize readiness of the active units but with increased emphasis on the ability to reconstitute forces if necessary in crisis.

I would stress that nuclear weapons continue to fulfill an essential role in overall alliance strategy to deter war, but as a result of the new political and military conditions in Europe, we see future emphasis in NATO on making nuclear weapons truly weapons of last resort.

Let me now mention the specific conditions that have a military implication. The treaty will prohibit stationing, as mentioned, of U.S. troops in the territory of the former German Democratic Republic. The treaty will also prohibit the deployment of nuclear weapon carriers in former GDR territory.

The special status of Berlin resulting from the 1944 Occupation Protocol has been suspended and will be removed. U.S., French, and British troops will remain in Berlin, at the request of the German Government, until the completion of Soviet troop withdrawal at the end of 1994.

In summary, Mr. Chairman, the Joint Chiefs of Staff do not believe that these conditions, these restrictions, in any way adversely impact the ability of United States forces to achieve their military objectives. Thank you, Mr. Chairman.

[The prepared statement of General Sewall follows:]

PREPARED STATEMENT OF MAJ. GEN. JOHN SEWALL, USA, VICE DIRECTOR FOR STRATEGIC PLANS AND POLICY, JOINT STAFF

I am pleased to have the opportunity to discuss with you the views of the Joint Chiefs of Staff on the Treaty on the Final Settlement With Respect to Germany, especially as it affects U.S. military activity in Europe. The unification of Germany as a democratic and sovereign state represents a major post-war NATO success. A united Germany in the Atlantic Alliance of free democracies and part of the growing political and economic integration of the European Community will be an indispensable factor of stability in Europe.

With the unification of Germany, the rights and responsibilities of the Four Powers relating to Germany and Berlin have been suspended and will be terminated. Four-Power responsibilities will transfer to German authorities, Four-Power institutions will disband, and U.S. military activity in Germany will be subject to selected restrictions. These restrictions are acceptable to the Joint Chiefs of Staff and compatible with the evolution of NATO strategy currently underway. Extended warning time and the virtual removal of possibilities for a short-warning attack on NATO countries by the Warsaw Pact dramatically reduce the risk associated with these restrictions.

NATO remains committed to the defense of the NATO geographic area; however, NATO is transitioning to become a broader alliance of collective security. Both military strategy and political guidance are being revised to respond to the changes in Europe. The strategy is still in the process of review. In general terms, the strategy will seek to transition from "forward defense" toward forward presence. Forward deployed forces will be smaller, with greater emphasis on mobility and versatility than in the current NATO structure, to allow maximum flexibility in times of crisis. There will be continued emphasis on readiness of active units, and on the ability to reconstitute forces if necessary. Nuclear weapons continue to fulfill an essential role in overall alliance strategy to deter war. As a result of the new political and military conditions in Europe, future emphasis in NATO can be placed on making nuclear weapons truly weapons of last resort.

The treaty will prohibit stationing of U.S. troops in the territory of the former German Democratic Republic (GDR). The treaty also will prohibit the deployment of nuclear weapons carriers in former GDR territory. The special status of Berlin resulting from the 1944 Occupation Protocol has been suspended and will be removed. U.S., French, and British troops will remain in Berlin, at the request of the German Government, until the completion of Soviet troop withdrawals from Germany by the end of 1994. The Joint Chiefs of Staff do not believe these restrictions constitute a hazard to the ability of the United States to meet its military objectives in Europe.

Chairman NUNN. Is that latter point about the U.S. and allied forces staying in Berlin until the Soviets complete their withdrawal in 1994 part of the treaty itself?

Mr. DOBBINS. Yes, Mr. Chairman.

Chairman NUNN. Mr. Dobbins, in your prepared statement you say that the administration's interpretation of the meaning of the

word "deployed" in Article 5, paragraph 3 is that, quoting you, "large-scale maneuvers by non-German NATO forces in the former GDR territory are banned, but smaller-scale activities may take place at the direction of the German Government." You go on to say, "while the Germans may not wish certain types of small-scale activities to take place at certain times, our view is that freedom of decision is preserved in this regard." By that, I assume you mean freedom of decision is preserved for the German Government, not for the U.S. Government?

Mr. DOBBINS. That is correct, sir.

Chairman NUNN. That is a German decision, not a U.S. decision?

Mr. DOBBINS. As the treaty makes clear, the question of how to define the term "deployed" is a decision for a sovereign German Government. So the answer to your question, sir, is yes.

Chairman NUNN. In other words, the German Government will have the final say-so on any non-German NATO activities in the Eastern part of the united Germany, is that right?

Mr. DOBBINS. Yes, sir.

Chairman NUNN. That includes maneuvers or exercises beyond the 13,000-man ceiling established in the Stockholm CDE Accord, or how do you differentiate between below 13,000 and above 13,000? Either way the German Government would decide, right?

Mr. DOBBINS. Yes, sir. The German Government will decide on the definition of the term within a reasonable reading of the parameters of the treaty and the security interests of the States involved, as the agreement states. The negotiating record indicates that it is reasonable to use the Stockholm limitations as a guideline as to what is likely to be permitted and what is not.

Chairman NUNN. But beyond the 13,000, you believe, is not permitted even with the German Government?

Mr. DOBBINS. I do not think we would want to get pinned down to that degree. I think our view is that that is a reasonable dividing line, but we also believe the German Government does have discretion to define it and that that is a decision which they can make at that time.

Chairman NUNN. But you do see a dividing line between over 13,000 and below 13,000, a logical dividing line?

Mr. DOBBINS. That is correct. The negotiating record indicates the general understanding was that the dividing line would be about at that point.

Chairman NUNN. What was the original Soviet demand on this issue?

Mr. DOBBINS. That there should be no allied military activity whatsoever.

Chairman NUNN. What is the meaning of the phrase in the Agreed Minute to the treaty that says that in applying the word "deployed," the German Government must take into account the security interest of each contracting party, including the Soviet Union?

Mr. DOBBINS. That was a compromise agreed to by the Soviet Union when it became apparent that the Western participants were not prepared to ban all military activity whatsoever.

Chairman NUNN. So it is up to the German Government to interpret that also?

Mr. DOBBINS. Exactly.

Chairman NUNN. General Sewall, as a practical matter can NATO either prepare or plan on defending a defense position in the Eastern part of united Germany if it cannot be sure whether future German Governments will allow any non-German NATO military activities there?

General SEWALL. Mr. Chairman, I think we would view it this way: we are clear there are certain conditions up to 1994 and then conditions with regard to deployment subject to discussions and agreement by the German Government. In the interim, however, we have a situation, I would say, which is perhaps not all that unique. It is unique in that there will be Soviet forces remaining in the GDR, but it is not unique that you would have national forces responsible for defense of that particular part of German real estate.

As an example, the Turkish forces and the Norwegian forces are national forces under the NATO umbrella responsible for the defense of their territory.

This process, of course, has yet to develop. Discussions with the German authorities on coordination between NATO-committed forces in what was the Federal Republic of Germany and the German territorial forces in the Eastern part of the country for that transitional period are still ongoing.

The possibility of agreed deployments and exercises after 1994 will make the security dimension much easier, particularly with the Soviets having withdrawn.

Chairman NUNN. Can you elaborate on the difference between forward defense and forward presence and particularly explain how this would affect the requirement for U.S. troop levels in Europe?

General SEWALL. The requirement for U.S. troop levels will be impacted by a number of factors, most of which, quite honestly, have not been fully developed as yet and which are in various degrees of resolution. First is the CFE Treaty itself in terms of the precise destruction regime and what happens when it is completed, what the configuration will be of Soviet forces, and what their capability will be for regeneration and possible reintroduction into Eastern Europe. That is a dimension which the military is looking at and which General Galvin is studying very carefully. Also, the budget deliberations will impact on what resources we will have to execute that strategy.

Chairman NUNN. What would be the central elements of that strategy? I am not saying exactly the number of troops, and I know there are a lot of contingencies, and it depends on a lot of things; but under any reasonable set of assumptions or any assumptions you have, what are the elements of that forward presence that are different from what we have known over these 40 years as forward defense?

General SEWALL. Mr. Chairman, you mentioned the difference very clearly. We did talk previously in terms of forward defense, and, although that was not ever implied to be "shoulder to shoulder" on the inter-German border, clearly it was, as you said, a layer-cake. It was corps shoulder to shoulder with defense on the best defensible terrain closest to the inter-German border.

Clearly, we are moving with reduced force levels at parity, with extended warning times, to a much thinner deployment of stationed forces. As has been mentioned, we are looking at the concept of multinational corps. Those corps would be maneuver elements designed primarily to attack any penetrations or respond to any incursions of whatever forces, more in a sort of counter-concentration type approach, as opposed to a very robust linear defense.

Our planning to this point tends to suggest, and the budget and the program tend to suggest, a U.S. corps-level organization with its associated air wings. This organization does a number of things. It is a good basis upon which you can then build, if there is a requirement to reintroduce forces. It is an integral unit which can operationally function in a combat environment. It has the target acquisition and other associated corps elements that permit it to be effective on the battlefield. It does, of course, provide an opportunity for us to participate with the Europeans in the emerging concept of multinational corps.

Chairman NUNN. Is this a NATO strategy that is evolving, or is it a U.S. strategy that we are suggesting to NATO?

General SEWALL. It is a NATO strategy, Mr. Chairman. That process is under way both at the political level, in terms of guiding principles, and at the military level, in terms of a total revision of what used to be known as MC 14/3 with its underpinning of operational concepts. The military authorities are reviewing and formulating these concepts at this present time.

Chairman NUNN. Do you have a milepost or schedule as to when this would evolve, how it would evolve?

Mr. HADLEY. There is a process that was initially called for by a meeting of defense ministers last spring, and the call for the review was then reaffirmed at the London summit here in mid-summer. There is a process going on in NATO that calls for some preliminary work, probably sometime next spring. Drafts are already circulating and may be working drafts as early as November and December. The target date they are looking for is early spring.

It is going forward on three different levels: a political assessment at 16; a military strategy assessment at 15 without France; and then the participation of the military committee to talk about operational concepts. So it is a very extensive relook.

Chairman NUNN. Thank you. Senator Warner.

Senator WARNER. Mr. Chairman, in view of the fact that one of our distinguished members served as a combat soldier in World War II, I will yield to him.

Senator THURMOND. Thank you. I appreciate that.

Chairman NUNN. Senator Thurmond.

Senator THURMOND. Mr. Dobbins, the negotiating record that you supplied the committee does not provide any insight or definition of the term used in Article 5, "new categories of weapons." Article 5 prohibits the introduction of these systems into the former East German territory. For the record, can you supply the committee with the appropriate section of the negotiating record which addresses this issue?

Mr. DOBBINS. Thank you, Senator. The term, "new category of weapons," deals only with Berlin and only for the period of 1990 to 1994 while non-German forces would be stationed in Berlin. I think

we broadly interpret it as introduction of completely new categories of weaponry which are not presently in the inventory there. It does not restrict the Germans in what they might do in the territory of the former GDR whatsoever. Does that clarify it, Senator?

Senator THURMOND. Yes, thank you. General Sewall and Mr. Dobbins, it is uncertain whether Article 5 of the treaty allows NATO to deploy dual-capable equipment in what was formerly known as East Germany. Can you tell this committee whether NATO can deploy dual-capable aircraft or artillery pieces in that section of Germany?

General SEWALL. Thank you, Senator. I think, as we indicated, that is key to the Agreed Minute and the definition of "deployed," which again would be a decision made by the German Government. Clearly, there would be no non-German or U.S. nuclear units or carriers stationed there. The issue of whether they might train there in exercises is an issue which we would have to discuss with the German authorities at a later time.

Mr. HADLEY. Senator, may I add one point to that? There was an explicit reservation put into the treaty to provide that Germany would be able to station dual-capable systems in the GDR so long as they did not have a designated nuclear mission. We would expect that the German Government would keep the importance of that provision, which they ensured for themselves, in mind with respect to requests that NATO might make post-1995 to exercise those capabilities in the GDR.

Senator THURMOND. Mr. Dobbins, anything further?

Mr. DOBBINS. Just to emphasize that Germany will be free to station dual-capable systems in that territory as long as, as has just been said, they are not specifically designated for a nuclear role.

Senator THURMOND. Secretary Hadley, the Treaty on Final Settlement will permit the Soviet forces to remain in East Germany until 1994. I understand that during this period the German Government will provide assistance to the Soviet forces in terms of money and goods. In return for this extensive support, what restrictions have been placed on the Soviet forces with regard to training and movement within Germany?

Mr. HADLEY. Senator, those restrictions are contained in an agreement that was just initialed between the German Government and the Soviet Union. There is a cable in this morning on this that Mr. Dobbins has read, and if I might, I would defer to him to give you a brief summary of that.

Mr. DOBBINS. The agreement is an agreement on stationing of Soviet forces for this interim period between the German Government and the Soviet Government, and it does place a number of restrictions on Soviet forces involving, for instance, the level of exercises they can conduct. It allows them to conduct exercises only in their own training areas, not outside those areas. It limits their size. There are limits on air activities and a variety of practical limitations in order to ensure that the activities of those forces take account of the interests of the civilian population and are constrained to what the Germans consider reasonable levels.

Senator THURMOND. General Sewall, what impact does the treaty have on the agreements between the United States and the Soviet military? Examples that come to mind are a military liaison mis-

sion at Potsdam and a Soviet military liaison mission in West Germany.

General SEWALL. Those positions for liaison would, of course, disappear. The requirement for liaison would exist but in a different format. We would establish normal liaison as required with the Soviets as long as they remain in Eastern Europe, in Germany.

Senator THURMOND. Secretary Dobbins, since the German Government is obligated to reduce its forces to 370,000 and the United States announced it would withdraw 40,000 troops in the next fiscal year, is there any indication that other NATO nations will withdraw their forces from Germany and what impact will such withdrawals have on the alliance?

Mr. DOBBINS. I think it is anticipated that other NATO nations will make reductions in their forces stationed in Germany. The French have said that they are prepared to pull their forces entirely out of Germany unless the Germans specifically ask them to stay. I would anticipate the Germans will ask the French to keep some forces in Germany. I think the Dutch and the Belgians are looking at small reductions in their forces, and probably other NATO allies would follow suit. But I think that they will all be prepared to keep substantial forces there for the foreseeable future, and I defer to General Sewall. But I think that it continues to be our assessment that the forces that will remain will be adequate to preserve the security of the alliance and of Germany.

Senator THURMOND. Secretary Dobbins, in the treaty Germany affirms its renunciation of the manufacture, possession, and control of nuclear, biological, and chemical weapons. Does this agreement have an impact on the current agreement or set of arrangements between the United States and West Germany with regard to nuclear weapons stationed in Germany?

Mr. DOBBINS. No, sir, it does not. The undertakings of the Federal Republic in this agreement are the same as their undertakings under the Nonproliferation Treaty which they signed many years ago. And those undertakings, as was clarified in the administration's submissions to Congress at the time the Nonproliferation Treaty was submitted for the Senate's review, made clear that these restrictions would not apply in wartime.

Senator THURMOND. My last question is to Secretary Dobbins. I understand that a separate agreement extends the current Status of Forces Agreement throughout Germany. Does this same agreement apply to the Soviet forces stationed in East Germany, and if not, do the Soviet armed forces have a similar agreement for the protection of their soldiers and families?

Mr. DOBBINS. The answer is no. The Status of Forces Agreement, the NATO Status of Forces Agreement, does not apply to Soviet forces. The agreement that I mentioned just a few moments ago, which is the agreement based upon which Soviet forces will now be present in Germany between now and 1994, has provisions in it which cover some of the areas that are covered by the NATO Status of Forces Agreement and covers specifically questions of legal protection and those sorts of issues.

Senator THURMOND. Thank you gentlemen. Thank you, Mr. Chairman. At this time I ask that my opening statement be included in the record.

Chairman NUNN. Of course.

[The prepared statement of Senator Thurmond follows:]

PREPARED STATEMENT BY SENATOR STROM THURMOND

Thank you, Mr. Chairman:

Mr. Chairman, the Treaty on the Final German Settlement is an agreement that many of us never expected to see in our lifetime. This agreement marks the end of a revolution which has transformed the face of Europe and will have long-range implications on this Nation and the world.

Regardless of whether or not the Senate ratifies this treaty, the reunification of Germany is a reality. Anyone having any doubts about this reunification did not witness the outpouring of emotions by the German people as they celebrated their union.

We must now adjust to this reality. Already an increasing number of members are calling for a withdrawal of our military forces from Europe as a remedy for our fiscal crisis. Although I believe we can make a reduction in our forces in the region, we cannot succumb to that shortsighted view. We must maintain some military presence in Europe. A quick review of the region's history over the last century will vividly demonstrate how quickly the political climate in Europe can change.

Mr. Chairman, I join you and the other members of the committee in welcoming our panel of experts. I look forward to hearing their views on this historic treaty and its implications on our future military posture in Europe.

Thank you, Mr. Chairman.

Senator WARNER. Mr. Chairman, would the Chair allow Mr. Wallop to ask a question? He has to leave. Just one?

Chairman NUNN. Yes.

Senator WALLOP. Mr. Chairman, I thank you for that. I appreciate your indulgence. I will be very quick. This is all very fine, but what happens if the SPD wins in December?

Mr. DOBBINS. First of all, no, the SPD, it is not a party position that the allies or the United States specifically should withdraw its troops. I think their current position does not even call for reductions in allied forces beyond those called for in the CFE agreement, nor have they taken the position that as an immediate objective of German policy should be the removal of nuclear weapons from Germany. I think they would want us to pursue very actively arms control negotiations with the Soviet Union on nuclear weapons in Europe and they might want to push those at quite a rapid pace and with a broad coverage. I think that clearly the SPD's policies would be somewhat different than the current Government's but I do not anticipate that they would go to the lengths that you have suggested, Senator.

Senator WALLOP. I appreciate your confidence, however, I am skeptical of it. Let me ask one other thing. Article 5 provides, among other things, for the presence of NATO forces in the current territory of the FRG and of the U.S., British, and French forces in Berlin prior to the end of 1994. We are clear on that. In addition, however, Article 6 states the right of the United Germany to form alliances and, presumably, we hope and assume, NATO. But in the event of a German-Soviet treaty, which is referred to in Article 4, providing for withdrawal of Soviet forces from Eastern Germany before the specified deadline of 1994, is there anything in the treaty that precludes making the withdrawal of Soviet forces contingent upon or conditional to the withdrawal of American and other NATO forces from Germany?

Mr. DOBBINS. Well, I think it is fair to say that the Germans, along with the other allies, absolutely refused to consider any such connection throughout these negotiations and that therefore, there is no reason to anticipate they would accede to them later. I would also note that they have now concluded their agreement with the Soviet Union on the withdrawal of Soviet forces, and that agreement makes no provisions of this sort whatsoever and has a 1994 date.

Senator WALLOP. It has the 1994 date?

Mr. DOBBINS. Yes, sir.

Senator WALLOP. Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Wallop. Senator Gore.

Senator GORE. Thank you very much, Mr. Chairman. I apologize to our witnesses for missing your formal presentations, but I have read all three of your statements carefully and I would like to direct some questions to each one of you if I could.

First of all, Secretary Dobbins, this cap on German forces is extremely significant. It has represented one of the principal Soviet objectives throughout the whole long history of talks on this subject. And this 370,000 figure, of which no more than 345,000 will belong to ground and air forces, you say these figures, and in fact they are not binding, and elsewhere we have the reference to the bilateral treaty between Germany and the Soviet Union which anticipates Soviet withdrawal by 1994, is it your view that these two commitments are in fact connected?

Mr. DOBBINS. First of all, the commitment of the Germans to reduce their forces to 370,000 is politically binding, and the Germans have every intention of fulfilling that commitment.

Senator GORE. Politically binding but not legally binding?

Mr. DOBBINS. It is not juridically binding. It is not written in a manner which makes it a contractual agreement to which the Soviet Union is party. It was done as a declaration in the Vienna negotiations and then replicated here—the exact quotation from that declaration. And this was done with the intent of not setting a precedent, (a), that would bind the sovereign Germany in a way other countries are not bound juridically, and (b), so that every country in the world that has Soviet troops does not have to pay a price of that sort to get rid of them. In other words, you do not want to set that particular precedent.

It was our objective throughout these negotiations to avoid singularizing Germany with new restrictions that could be a source over time of destabilization in Europe. At the same time the Germans were prepared to enter this commitment. I think it is quite clear that they will fulfill this commitment. They made clear that their expectation is that the CFE negotiations and initial agreement will be concluded, follow-on negotiations will go forward, and that there will be further reductions elsewhere in Europe which will make the German reductions compatible with the broader European plan.

Senator GORE. We may have one soon, but we may not. If we do not, what happens to this?

Mr. DOBBINS. I am sorry, you asked the question, and I did not answer that part of it, sir. The connection in that statement to the German reductions is that they would begin when a CFE agree-

ment takes effect. Clearly, if a CFE agreement did not take effect, the Germans would find some other beginning point to begin those reductions. That is the connection as it is written.

Senator GORE. So there is a political commitment which you believe is likely to be kept in any event which is triggered by the signing of a CFE?

Mr. DOBBINS. No. The Germans said that they intended to begin taking those reductions when a CFE agreement went into force.

Senator GORE. So if a CFE agreement does not go into force?

Mr. DOBBINS. Then the Germans would have to determine some other date to begin those reductions. But they have made it quite clear that they will begin and complete those reductions.

Senator GORE. Now we are also told about this bilateral agreement between Germany and the Soviet Union, Article 4 of which—well, a provision of which commits the Soviet Union to complete their withdrawal by the end of 1994. Is that a finished treaty or not?

Mr. DOBBINS. My understanding is that it has been completed and initialed.

Senator GORE. When will it be enforced?

Mr. DOBBINS. As soon as it is ratified, which means it has to be signed and then ratified. I would anticipate they will be doing that in the near future but we do not know the date yet.

Senator GORE. Before the end of the year?

Mr. DOBBINS. I would think so, yes, sir.

Senator GORE. When will its terms be public?

Mr. DOBBINS. I would think probably as soon as it is signed. That is normal.

Senator GORE. What would happen in the event it was not consummated? Would that, like the CFE uncertainty, affect the 370,000 figure?

Mr. DOBBINS. No, I do not believe either or those eventualities—well, let me put it differently. The Soviet Union in this agreement has undertaken a binding commitment to remove its forces by 1994. In addition, this agreement terminates all Four-Power rights, which is the only other basis on which the Soviet Union can have troops in Germany. The Soviet Union, by ratifying this agreement, will terminate a right to have troops based on its victory in World War II.

The only substitute for that will be a bilateral agreement with Germany. They have concluded that bilateral agreement with Germany and obviously intend, I think, to sign and ratify it in the near future. If that did not occur they would be in Germany without any right because they have terminated the only other right they have to be there.

Senator GORE. Well, the real threat might be if Germany notified them that they were going to quit paying for them to be there.

Mr. DOBBINS. I think there would be practical disadvantages to them staying under those conditions, and I do not think they will do it.

Senator GORE. But as a legal matter, there are these two agreements which people assume will be followed through but have not been, both of which bear some connection to the 370,000 figure.

Secretary Hadley, you refer on page 2 of your statement to reduced forward presence by NATO. What is that?

Mr. HADLEY. Senator, let me take a crack at it, and General Sewall can supplement. We have talked about forward defense, which has operationally meant forces far forward, perhaps not exactly on the inner-German border, but very close, shoulder to shoulder corps configurations in the well-known layer-cake.

The point is that with the movement of Soviet forces out of Eastern Europe back to their own borders, with the increased warning time and depth that that gives us, we can contemplate somewhat of a different force where your forces need not be right up as close to that border, but can, in fact, be moved backed from it with screening forces up front, and also can reduce in size, because in order for the Soviets to reconstitute the kind of threat now, it would take time, which would allow us to reinforce and to reconstitute.

Senator GORE. All right. Unless you need to elaborate on that—would you like to, General?

General SEWALL. Just briefly, perhaps. It refers more specifically to those countries which have forward-deployed forces, because the question is, what does forward mean, now that you do not have an inter-German border? But I would certainly reinforce what Mr. Hadley said. It is a concept, really, of defense of the borders, as opposed to defense on the borders.

Senator GORE. Similarly, you use this phrase, "reduced reliance on nuclear forces." In what way will that come about?

Mr. HADLEY. Really, in two ways: one, given the movement back of Soviet forces, the need for systems, dedicated systems of shorter ranges, clearly goes down, and that was behind the President's decision to cancel the Follow-On-To-Lance, also the commitment in the London declaration that when SNF negotiations begin, our position would be contingent on reciprocal Soviet action to eliminate nuclear artillery, which leaves you with systems of longer range such as dual-capable aircraft and sea-based systems.

So one is the systems of shorter range go out, and then two, the size of your inventory of nuclear weapons goes down.

Senator GORE. Now, you also talk of increasing reliance on multinational corps composed of national units. Do you envision a U.S. command subordinate to Europeans in a multinational force?

Mr. HADLEY. That is a sensitive point. I would like to ask General Sewell, if I may, to answer that question.

General SEWALL. On the issue, Senator, of a multinational corps, there is no question, I think, that we view the concept and the principle very favorably, and we are looking at some of the details, one of which is the one you mentioned. I think there is a model, and that is the 7th United States Corps, which has worked very well. It has a German division underneath a U.S. controlling corps headquarters.

Senator GORE. There is another model, which is Saudi Arabia, and I hope you will not choose that model.

General SEWALL. No, I will not address that one at this time, Senator. I think, in principal, if a multinational corps concept will be viable and will be supported by all the NATO nations, then I think we in the military have to address that possibility of a U.S. division being under the operational control of another nation's

corps headquarters. But I would hasten to add that operational control does not mean command in the sense of administration and justice. Obviously, the command line goes from the President to the Secretary of Defense, down to the theater commander, and that would stay inviolate. It would just be the concept of operational control for contingencies and exercises.

Senator GORE. Do you envision France being a part of this arrangement?

General SEWALL. We would certainly hope so, Senator, and I think that we and the French are clearly participating in the 16, in the political guidance. It is a little more difficult at the 15, but we have every hope and expectation that they will, at some point in time, enter into that concept.

Senator GORE. I have one other broad question and several smaller questions, Mr. Chairman. I would be prepared to come back for a second round, if you prefer that. Maybe I could ask the broad question and come back for the other follow-ups.

Chairman NUNN. Fine, then I will see if Senator Exon has questions.

Senator GORE. All right. What is going to happen, if you could speculate for a moment, in the way of security arrangements for Poland, the Czech and Slovak Republics, and Hungary? Austria's neutrality is now in a different light with the reunification yesterday of Germany. The other East European nations, you can tick them off one by one and look at the special circumstances involved. But the three I mentioned have been in one world. Now they are in another world, and this new world looks more benign right now, but the potential for instability is very high. What kind of security arrangements do you see in your crystal ball for these three countries?

Mr. HADLEY. One of the things that we hope the combination of the existing Stockholm agreement, the CFE agreement, and a CSCE structure will do is to give some assurances to these countries about their security.

Senator GORE. Let us assume the threat is going to be diminished, as objectively measured by the numbers of weapons that are out there in all the countries that are surrounding the area, but what affirmative mutual obligations might be put in place? What multilateral obligations? It is not enough just to reduce the number of weapons in East and West Europe, I do not think, when you look at these three countries and their history.

Mr. HADLEY. That is certainly one. Second is a regime of openness and disclosure, part of the CSCE process, but also the verification arrangements which will follow CFE will really allow an unprecedented degree of knowledge about what the forces are and notice of any threat.

The other element, quite frankly, oddly enough, is NATO. One of the things that the Poles have told us is that they feel that a strong NATO and a continuing U.S. presence in Europe are elements of their security, simply by their presence. So they would look, indeed, in an odd way, to the continuation of that arrangement.

Mr. DOBBINS. Could I add, if I might, Senator, a couple of points? That is, as Mr. Hadley mentioned, the CSCE process is one that we

see as gaining some new institutions and some further expansion in terms of its political and institutional capacity to address problems of the security of these countries.

We are talking about creating a crisis management center, which would be a small but permanently staffed center which could facilitate consultations and address crisis issues and become the basis on which confidence-building measures were permanently staffed out and managed.

We see more frequent political-level consultations. Thirty five foreign ministers just met in New York earlier this week. We see that occurring on at least an annual basis, with meetings of lower level officials more frequently.

So we see that as a structure in which these countries can bring their security concerns and have them addressed in a multilateral forum, and that is in addition.

Senator GORE. If there is an opportunity, I will follow up later.

Chairman NUNN. Thank you. Senator Exon.

Senator EXON. Mr. Chairman, thank you very much. Gentlemen, thank you for coming today. Let me add my welcome to what I am sure has been said by my colleagues for coming here on this very momentous event.

It is almost hard to believe that sitting around these tables 2 years ago we ever thought we would be here today on something like this. The speed of all this is just staggering and is wonderful. So I salute you and the administration for the great job that has been done.

This seems all a go/go situation, with few, if any, down-sides. Are there any potential down-sides that we should be looking at that could adversely affect the United States' interests in the future? A follow-on to that, while I have never harbored any such concerns, I do know that there were some European countries a year ago, when this talk of unification of Germany came to the fore—and I guess few thought that it could be accomplished as quickly as it was—were concerned, of course, about the reunification of Germany and what it means—a unified economic power in Europe, and potentially a strong military power. There were some concerns expressed in parts of Europe about how wise this was, since France and Great Britain are signatories to this, I assume at least it is the official position of their governments that it is not a concern. Have you heard about any real serious, lingering concerns of other countries of Europe about the Germanies coming back together again?

Mr. HADLEY. Concerns have been expressed from time to time. I notice that there was a poll that was reported in the paper today about some increasing concerns in French public opinion, for example, so it is certainly a factor.

I think there are probably three things that might take the bloom off the rose a little bit. One would be if the process, to pick up the point that the Chairman made earlier, of economic and political reform in Eastern Europe is set back, or if the process of political and economic reform in the Soviet Union is set back. That obviously would have an impact on the situation. The Soviet Union will continue to be the dominant military power on the continent.

Second, the German Government has talked about a united Germany in a united Europe, and there is some concern that that process of integration in Europe should continue.

Third, there is some concern about some of the instabilities in Eastern Europe, and that is why, as Jim Dobbins mentioned, there is an effort to try and develop some multinational institutions that can try and deal with some of those problems.

So this is not necessarily a bed of roses, but we feel that we are trying to build a structure that can handle some of these potential problems.

Mr. DOBBINS. Let me say, Senator, that when German unification became a real possibility when it went on the agenda last year, I think most of us were surprised not by the degree of concern that it aroused, but on the contrary, by how ready European opinion was for this move. I think public opinion polls which showed higher support for German unification in France than in Germany itself showed that the generational change in the attitudes that had grown up after 40 years of living together in peace and harmony really had made a tremendous difference.

Senator EXON. What effect, if any, do you think this unification is going to have on German neighbors such as Poland and Czechoslovakia? I am wondering if you think I assume correctly that a strong, healthy Germany is going to have a positive effect on the continuing economic difficulties in Poland, Czechoslovakia, and other East Bloc countries and cannot help in the long run but be helpful in that regard. Is that a fair conclusion?

Mr. DOBBINS. I think it is. The Czechs have been quite unconcerned and supportive of the process from the beginning. In Poland, for historical reasons, there was concern to resolve the border problems. They were brought into the negotiations. Those problems are resolved. I think everybody is very hopeful that as the East German economy is reformed and made a dynamic and vibrant economy, the neighbors can begin to profit from that. It is important that they do, that those borders be kept open, that those countries have a relationship with the European community that allows them to profit through trade and investment in this area.

Senator EXON. Secretary Hadley, one question to you. I ask the question because it has to do with a very difficult conference that we are having with the House of Representatives now on a whole series of systems, including strategic systems. The House has zeroed out the SRAM-T system, and we discussed this with them at some length this morning. The argument on that side is that SRAM-T is no longer necessary because the system was basically structured to strengthen NATO against the Warsaw Pact and so forth. The claim was in discussion this morning that this was unnecessary nor was it needed any more. It has been our position that NATO as an institution still believes that the SRAM-T system is necessary. Is that your understanding?

Mr. HADLEY. Yes, Senator. I believe it is. One of the things that we mentioned in response to the question from Senator Gore was that the reduced reliance on nuclear weapons meant that systems of shorter range were going out, which meant of necessity, an increased reliance on aircraft. If you are going to have aircraft, obviously, you are going to want to keep them modern and capable.

The issue on SRAM-T, basically we undertook with the alliance to continue that program to give them an option to use it as a way of modernizing and keeping current the aircraft. There has been no change in that because aircraft indeed are going to be increasingly relied upon. At the same time, it is not a decision that has to be made in terms of deployment because it is really a system that we are building for the mid 1990s. In the interim, we will have a fairly wide-ranging strategy review; we will look at what our, and NATO's, actual nuclear requirements are. At this point, however, our view is it is an option that we really need to maintain open.

Senator EXON. Thank you. Thank you, Mr. Chairman. My time is up.

Chairman NUNN. Thank you, Senator Exon. Senator Warner.

Senator WARNER. Thank you, Mr. Chairman. Secretary Hadley, I would like to pick up on that part of our colloquy here today on NATO. You outlined the various steps that NATO is now performing, looking at the revised strategy and mission, and the General touched on that. To that extent, have the legislative bodies of the several members of NATO become involved in this? Is this being presented as a fait accompli? This is it?

Mr. HADLEY. That is a very good question, Senator. There has been a good deal of wrangling, speaking candidly, within NATO over the last 4 or 5 months as to just how this strategy review would be conducted within NATO headquarters. I am afraid that the issue of how to have national consultations and legislative consultations is one that has really been beyond the attention of the people. As I say, it has been a 5-month struggle just to get on track the process within the NATO bureaucracy. It is a good question, and at this point I have no satisfactory answer to it.

Senator WARNER. You are very forthright and I appreciate that. I will have further discussions with you, then. Maybe we had better not get too much out here on the record right now.

In this conference report that we are going to present, hopefully, to the Senate and House very shortly, I am sure we will have some questions on our future role in NATO. I will try to think through an answer to my own question and share it with you.

I first want to thank you gentlemen for coming here. I hope you will long remember this hearing because I think it is quite a significant one. I am certainly pleased you are the ones representing the various components of our government because, really, what we are talking about is the Peace Treaty of World War II, are we not, in the simple vernacular?

Mr. HADLEY. Yes, sir. That is it.

General SEWALL. Yes, sir.

Senator WARNER. Secretary Dobbins, in Article 2, Germany declares that, "only peace will emanate from German soil," and that to, "disturb the peaceful relations between the nations will be unconstitutional in a united Germany." How will this declaration affect the ability of the united Germany to assist in out-of-area military operations such as the now ongoing Persian Gulf situation? Will the united Germany be restricted from sending military forces abroad as the former West Germany was?

Mr. DOBBINS. The restrictions on the West Germans and now on Germans are derived from the German constitution, not from any

external limitation and not from any limitation in this agreement. This agreement makes clear that the Germans will continue to be able to exercise the right of self-defense both individually and collectively in pursuit of their obligations to NATO, the United Nations, and other institutions.

There is a constitutional debate in Germany as to whether their constitution, which is now the constitution of a united Germany, limits their ability to send forces outside the NATO area. Chancellor Kohl and other leaders, including leaders of the opposition, have indicated that this is an area they are willing to look at and possibly amend the constitution following unification. So there is nothing in this agreement that will prevent them from doing that. This is essentially a domestic political/constitutional debate in Germany itself.

Senator WARNER. So the constitution would be the overriding document in such debate.

Mr. DOBBINS. Yes, sir.

Senator WARNER. The interpretation as the Bundestag and others wish to apply it would control the answers to this question and, therefore, the agreement as such means little on that point.

Secretary Hadley, Article 5 prohibits foreign armed services from being stationed or deployed in the territory of the former German Democratic Republic following withdrawal of Soviet troops from that area. The Agreed Minute to the treaty states that Germany will define what "deployed" means in the article. Is there anything in the negotiating record that gives us any indication as to what military activities Germany will allow in the Eastern part of its territory? Will NATO activities be seriously handicapped by this restriction? Does the prohibition against deployment extend to foreign armed forces overflights in these areas? General, you may wish to add to this response.

Mr. HADLEY. Senator, let me take the first half of that.

Senator WARNER. Mainly, what is the definition of the term "deployed" in the negotiating record?

Mr. HADLEY. There is some evidence in the record that will help us. The Soviets proposed that NATO forces would not be able to go into the GDR, and they were pushed back to this phrase, "not stationed or deployed." Mr. Dobbins can speak to it more directly, but there was some discussion about what it means, exercises over certain CDE notification levels—and the figure 13,000 was offered at one point—would be considered deployment and would be precluded, but things below that might be permitted. That was by way of an illustrative discussion. I think the point I would emphasize here, and also in response to the Chairman's earlier question, is that in the Agreed Minute giving the German Government the right to decide, simply puts it on the same basis as any of the other NATO allies.

In the end, the decision of what kind of exercises they will put on their territory is one for them to make. It is a decision that obviously does not come into force until after 1994, and we have not tried to nail down in any way at this point in time what the exact thresholds will be. We are really content to let it go until after 1994, to trust it to the decision of the German Government as any other NATO ally and also to the provisions of Article 6 which we

have not mentioned yet. It is a very important article which not only says that a united Germany may belong to alliances with all the rights and responsibilities rising therefrom, but that those rights and responsibilities, and that right, shall not be altered by the present treaty. That is one of the things that a united Germany will have to take into account in deciding what kind of activities can be engaged in under their obligations to NATO.

Senator WARNER. May I ask one additional question?

Chairman NUNN. Yes, go ahead.

Senator WARNER. Germany has agreed to pay the Soviets over $8 billion to withdraw their forces from East Germany. The bulk of these funds would be used to resettle Soviet forces in the U.S.S.R. A portion of the payment, however, approximately $2 billion, is intended to pay for the maintenance of Soviet troops in East Germany until their withdrawal. Under what agreement or treaty will these payments be made by Germany and what is the status of that? What impact, if any, do you think it will have on future burden-sharing understandings with the member States, particularly the United States?

Mr. DOBBINS. The Germans have negotiated a treaty with the Soviet Union which they have now initialed which sets the conditions for Soviet presence and withdrawal by 1994. I believe that they will have a separate agreement which will cover the financial areas that are involved in the Soviet presence and which will also cover certain other forms of assistance that the Germans are prepared to provide—building housing, training in civilian pursuits. Those kinds of things, as I understand it, are under discussion and likely to be concluded soon. I am not sure that this has a relationship for burden-sharing because the Germans are paying the Soviets to——

Senator WARNER. I will tell you the relationship and that is when citizens of my State or the United States come to me and say, Senator, why should we be sending, whatever figure, 300,000 troops to be stationed in Germany and on top of that pay a very substantial amount of cash for their upkeep? What is the answer you would give?

Mr. DOBBINS. Well, I think the difference is that the Germans are paying the Soviets to go home.

Senator WARNER. That is a sweet ticket. I recognize that they had to do it. I respect Kohl and his Government but I cannot use that answer. Work on another one for me.

Mr. DOBBINS. Yes, sir.

Senator GORE. Could we get that deal? [Laughter.]

Senator WARNER. My time is expired and the Chair and other members have been generous. But gentlemen, I strongly urge, as you go back over this record, give us some good tight responses to that issue. I do not mean to just raise it as a hassling question, but around this table sit the men and women of the United States Congress who have to answer that question. Your guidance would be helpful.

Chairman NUNN. Thank you, Senator Warner. Let me ask one other general question and then I will defer to Senator Gore and then we will go to closed session unless Senator Warner has other questions. Secretary Hadley, you have just come back from New

York where you were involved in the final negotiations with the Soviets on the conventional force agreement, agreement in principle. Could you bring us up to date on that and what we have agreed to in principle, the obstacles that have been removed now and the ones, if any, that remain?

Mr. HADLEY. I can, Mr. Chairman. You can guide me as to how much detail you would like.

Chairman NUNN. We just really want to get the major concepts.

Mr. HADLEY. There has been agreement on the overall aggregate ceilings for main battle tanks, artillery, armored combat vehicles, and helicopters. There has been a narrowing on the disagreements on aircraft, but that has not been resolved. So the overall levels are pretty well set.

Second, there has been agreement on the portion of those forces that any one country, in this case we are talking about the Soviet Union, can have. That is now also agreed, and that has been a major stumbling block. The Soviets have wanted considerably higher numbers than we have wanted.

Chairman NUNN. Where did we end up on that one?

Mr. HADLEY. I have the actual figures here, which we could provide for the record.

Chairman NUNN. Yes, thank you.

[The information follows:]

Tanks: 20,000 (16,500 in active units, remainder in storage).
Artillery: 20,000 (17,000 in active units, remainder in storage).
Armored Combat Vehicles: 30,000 (27,300 in active units, remainder in storage).
Combat Aircraft: 7,000 plus or minus 200 (still to be settled).
Attack Helicopters: 2,000.
Sufficiency levels, which would limit total Soviet equipment:
Tanks: 13,300 (33.3 percent of total for treaty signatories).
Artillery: 13,700 (34.3 percent of total for treaty signatories).
Armored Combat Vehicles: 20,000 (33.3 percent of total for treaty signatories).
Combat Aircraft: 5,150 for U.S.S.R. alone, plus 400 land-based naval aircraft outside of the treaty.
Attack Helicopters: 1,500.
NOTE: These ceilings have been agreed among NATO nations and between the United States and U.S.S.R. They have not yet been agreed to by non-Soviet Warsaw Pact members.

Mr. HADLEY. They are basically in the range of 33 to 37 percent.

Chairman NUNN. Depending on the weapon category?

Mr. HADLEY. Exactly, exactly. And three of the four are between 33 and 34. Helicopter sticks out a little bit but the ground TLE, which were the ones that were really important, we held on to the 33, 34 percent. Now that, of course, is double in terms of a percentage of the Warsaw Pact side, but that is what those numbers mean.

The third major element is there was generalized agreement on the verification scheme that would apply.

Chairman NUNN. Let me ask one question on that percentage. Does that mean the percentage of Soviet forces that can be part of the Warsaw Pact forces?

Mr. HADLEY. No, sir. It is the percentage of the total forces on both sides that can be of any one country.

Chairman NUNN. So you add up the total forces on both sides and any one country has a percentage of that total.

Mr. HADLEY. That is correct.

Senator GORE. Is that a sliding scale?

Mr. HADLEY. No, it is not. It is a fixed percentage and to know what percentage of the Warsaw Pact or the parties of the East that represents, you basically double it. So it works this way: If there is a 20,000 tank ceiling on the NATO countries and a 20,000 ceiling on the Warsaw Pact countries, the Soviets can have roughly 36 percent of the 40,000 tank total or 13,300 tanks. That sounds like a lot and it is.

Chairman NUNN. But it is based on the ceiling now in the treaty and not based on what is actually there.

Mr. HADLEY. That is correct.

Chairman NUNN. So it is not going to move up or down? That is going to be a static figure?

Mr. HADLEY. Absolutely. It is based on the ceiling. It means the Soviets are going to have to convert or destroy a lot of tanks and they are going to be in a situation where, rather than this dominant 3 to 1 ratio of NATO, in fact they are going to have less than the entitlements on the NATO side.

Verification, we made good progress on and established the principles and a lot of the details of that regime in terms of definitions, number of inspections on each side.

And last, the zonal structure has been a sticking point. There are still some details that need to be nailed down, some of them important. But the basic structure seems to be emerging.

So there is some optimism that actually we may be able to get a treaty by the November 17 date of CSCE and we continue to try and hold people's feet to the fire by saying very clearly, the President will not go to the CSCE summit on November 17 unless there is a complete CFE agreement by that time. So we have made good progress.

Chairman NUNN. The manpower parts have been deferred to the subsequent negotiations, is that right?

Mr. HADLEY. That is correct. The so-called Ottawa arrangement is out of the CFE agreement.

Chairman NUNN. So really, right now what we have by way of this treaty we have before us today is a politically binding but not legally binding limit on German forces and we also have some bilateral agreements the Soviets have made on their forces.

Mr. HADLEY. That is right.

Chairman NUNN. But we do not have any overall agreement on NATO-Warsaw Pact forces or U.S. forces and Soviet forces?

Mr. HADLEY. That is correct in terms of manpower. The only thing I would add is there is a commitment that there will be a follow-on negotiation under the current mandate, and that will look at issues such as manpower limitations. So it is a subject for the follow-on discussions, but other than as you have described, there are no limits in the CFE agreement.

Chairman NUNN. Senator Gore.

Senator GORE. Thank you, Mr. Chairman. General Sewall, you talk about a transition from forward defense to forward presence. Does forward presence mean up to the old border between West Germany and East Germany?

General SEWALL. The precise location, Senator, has yet to be determined during the normal process of a strategy review. I would not say so necessarily. Conceptually, one can have multinational

corps located more or less in the center of a unified Germany that could be in reasonably close proximity to the old inner-German border. But again, the mission would be to be prepared to execute a counter concentration-type operation wherever the particular enemy thrust might come from. So they would be more centrally located, much more agile, much more mobile, to be able to respond quickly as required.

Senator GORE. Can NATO exercise in the air over what used to be East Germany?

General SEWALL. Right now, as I understand it, the airspace of Germany becomes a German sovereign responsibility, and there will be German national air units, but without a NATO-committed designation, that will perform that air policing role.

Senator GORE. Does that mean there will be no more American planes flying in NATO exercises in German airspace?

General SEWALL. Senator, once again, this would get into the issue of "deployment" and how that would be agreed with the German Government post-1994.

Senator GORE. I am talking about next year.

Mr. DOBBINS. Are you talking, excuse me, about East Germany or West Germany? There is no change whatsoever in West Germany.

Senator GORE. I am asking about both. In the airspace over what used to be East Germany, and my specific question was, can NATO exercise in that airspace?

Mr. DOBBINS. The treaty provides that for the period between 1990 and 1994, non-German allies will perform no military activities whatsoever in that territory, which would include, I assume, air activities. In other words, no military activities. After 1994, you are not permitted to station or deploy troops there. Exercises and other activities such as you have defined would be decided on by the German Government.

Senator GORE. Unilaterally?

Mr. DOBBINS. Yes.

Senator GORE. And up until 1994, NATO exercises in the airspace of what used to be the Federal Republic will be unchanged. Is that correct?

General SEWALL. That is correct. Under the normal NATO integrated air defense system.

Senator GORE. Okay. So we will not be able to deploy AWACS beyond the former inner-German border, correct?

General SEWALL. For the interim period up to 1994, that is my understanding.

Senator GORE. You used the phrase, defense of the border. Does that mean a rapid surge to the old inner-German border or to the German-Polish border, or what?

General SEWALL. Again, you are asking, Senator, a somewhat hypothetical question.

Senator GORE. We all hope they are hypothetical. It is best to know what the answers are though.

General SEWALL. The answer, in the interim period, up until 1994, is that we would have to have defense arrangements between NATO committed forces which would be restricted to the territory we understand as the previous Federal Republic with those nation-

al German territorial units in the GDR. Those precise relationships and plans and the coordination have not been developed as yet, but are a matter of ongoing review and discussion.

Senator GORE. Is there any military rationale for the Berlin garrison and will we end it after Soviet withdrawal?

General SEWALL. The Berlin garrison, Senator, I have to say, now becomes more a political force as opposed to a pure military force. Again, the defense of that part of Germany becomes a German responsibility and whatever forces, French, British, or American, that are there would participate. Certainly we have plans to reduce that garrison consistent with the reduction of Soviet forces.

Senator GORE. So there is no longer any military rationale. It is now a political force?

General SEWALL. I would not say there is no longer a military rationale.

Senator GORE. What is the military rationale?

General SEWALL. It would be in coordination with and support of the German Government and participating in whatever defense arrangements apply in that area. But we would no longer be the prime factor. We would be working with the Germans.

Senator GORE. Who is the designated NATO enemy, now?

General SEWALL. Well, let me answer that. There is a near-term answer, and a more fuzzy long-term answer, but certainly in the near term there is no question that the largest conventional force, as we see it, on the European continent will remain the Soviet Union, and as long as they have nuclear weapons, they can destroy us. So even though the relationship may have changed, we view the possibility of a possible reversal, in which case we would structure our defense plans in the near term to handle that sort of contingency.

Senator GORE. Well, presumably, then, we will design our forces according to the scenarios we think are most likely, and according to the tactics, we think we will need to employ. Is the scenario still that the Soviet Union may invade a newly reunified Germany?

General SEWALL. That is one hypothetical situation which I think we would plan on being able to respond to. Now, granted, everyone has a different opinion on the likelihood of that, but certainly in terms of military planning we would want to look at the configuration of the residual Soviet forces, their capability to reinforce, and what might be configured east of the Urals. All of that would go into the determination of what NATO needs in terms of its deployment of forces, and then what role the United States plays in that total NATO requirement.

Senator GORE. I recognize the awkwardness of the situation you are in—we are in—in responding to questions like these, but in keeping with one of the earlier questions of my distinguished colleague from Virginia, with the budget pressures that now exist, the idea of large expenditures for political forces that are made up of E–7s and majors and captains and nuclear weapons and so forth becomes a little more difficult, and so I think it is important to have some clarification on this. I could ask a couple more questions, but if you are anxious to conclude, Mr. Chairman, I will conclude there.

Chairman NUNN. We will finish with you, Senator Gore, and then go on to closed session.

Senator GORE. I just have a few briefly. You refer, general, to NATO transitioning to become a "broader" alliance of collective security. What, exactly, does that mean, the "broader" part? Broader in what way?

General SEWALL. In a sense that may appear to contradict what I have just said, but let me explain it this way. Certainly in the near term, the Soviet Union does remain the focus of NATO's military planning, but if I can perhaps suggest the way our present administration is thinking, in the long term that may be an insufficient rationale. It may be prudent for NATO collectively to view other threats, other than the Soviet Union, which would affect NATO and United States security interests. That is a current part of the NATO review and I cannot give you any definitive answer on that. Mr. Hadley may want to add to that particular comment.

Senator GORE. What other threats do you have in mind?

General SEWALL. I think our NATO forces would be considered a factor for stability and balance. There are elements of instability that could occur in Eastern Europe. That is a matter of security interest to NATO. I am not saying that is a commitment, but it certainly is a matter of interest.

Senator GORE. Ethnic hatreds?

General SEWALL. They could be ethnic.

Senator GORE. How is the United States Army going to stabilize a conflict between the Slovaks and the Czechs? That is a bad example, but I just picked that out of the air.

Mr. HADLEY. I do not think they are, Senator.

Senator GORE. Well, what are the threats, then?

Mr. HADLEY. I think the general really has it right. Clearly, the forces are going down in size for all the reasons you suggest, and General Sewall has tried to indicate how they will change in character. We have to search for what the bottom level is, and I think the major driver of that bottom level is, as he suggested, the possibility of some kind of change in the situation in the Soviet Union which leads the Soviet Union to try and roll back the gains of security that we have had in the past.

The question is, what do you need to do that, recognizing that you will have a lot more time, a lot more depth, and the general talked about a corps as sort of a planning factor, but again, we need to be more specific about that. You need enough force to make credible that you are still committed to Europe and would reinforce.

Senator GORE. Well, "committed to Europe" has a nice——

Mr. HADLEY. To deter the possibility of a resurgence of the Soviet Union.

Senator GORE. So you do not identify any other threats in specific, besides a Soviet invasion?

Mr. HADLEY. No, but we think it would also help in the resolution, and hopefully, dispute resolution of any conflicts that might arise in Eastern Europe by deterring fishing in troubled waters, particularly by the Soviets.

Mr. DOBBINS. Could I add a thought here, Senator? I think first of all our military plans are not directed against the most likely

scenario, they are directed against the most dangerous scenario, which is also possible. The most likely scenario is that we are going to have peace. But that is not the necessary—and there is a possible scenario, which would be much more difficult, which is that there is a reversal in the trends in the Soviet Union and they again become a more threatening and more capable military threat, and as long as the Soviet Union has not adopted stable democratic structures, I think that kind of reversal is always going to be possible.

There is a general desire in Europe, which we share, that there should not be a return to a pure reliance on national defense structures, because if there is a return to that kind of reliance on purely national defense structures, the political and the economic integration which has taken place both in Europe and transatlantically will also begin to erode.

Senator GORE. That is another reason why I wanted earlier to encourage you to start thinking about Poland, Hungary, and the Czechoslovak Republics, perhaps in some kind of security confederation—I do not know—even including their own national forces in a mutually binding obligation. You say, general, that this new mission will require greater emphasis on mobility and maximum flexibility. What form of mobility are you talking about—a change in tactics, a change in sealift, airlift, C–17s? How much air- and sealift?

General SEWALL. Clearly, if you are looking at a potential battlefield where you have reduced dramatically the density of stationed forces, there is a potential for deep penetrations unless you have the capability for agility and rapid response.

What it means is that you have to have units which can pick up and move much more quickly, and that means with their sustaining capability. It probably means a different mix of the type of combat capabilities from what we see now. Helicopters and antitank capability in a more mobile sense would probably have a very high premium. Certainly those systems which give you real time intelligence target acquisition have a very high premium. In a very low density battlefield, the premium for mobility goes up dramatically.

Senator GORE. While we are doing this, Secretary Hadley, you are recommending wide deployment of nuclear weapons and equitable deployment of nuclear weapons. What kind of nuclear weapons and where?

Mr. HADLEY. Yes, Senator. If I were to rewrite that, I think wide deployment may be—I may have misled you. I did not mean to do it. What I was referring to was, we are clearly coming down on the short-range systems, and that is going to mean we are going to come down fairly dramatically on the overall inventory. What we are talking about is dual-capable aircraft.

The phrase about "widely deployed" should really say, "widely shared." That is to say, we think it is important that if it is going to be a deterrent for the alliance, that various allied countries participate.

Senator GORE. Which countries?

Mr. HADLEY. There are now participations in dual-capable aircraft by the Germans, by the U.K., by the Dutch, by the Belgians—I think there are six or seven of them.

Senator GORE. You do not contemplate any change in that?

Mr. HADLEY. We would hope not. We would think it would really erode the credibility of the deterrent if it simply became a U.S. only, or U.S.-U.K.

Senator GORE. I will cease and desist there, Mr. Chairman. I may have some other questions in writing for the record. I appreciate your indulgence and your answers. These are unusual times, and I recognize the difficulty we are all in in thinking our way through this transition. It is extremely difficult, but I do think there are some questions that immediately thrust out at us from this reunification and from the treaty just signed, and the answers to some of them are not yet out there. I do not think we have thought it completely through, yet. I think that it is going to have significant implications for the decisions we have to make up here on the defense bill. Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Gore. I agree with you, these are very important questions, and they are going to deserve a lot of thought in the next few months. They will have a tremendous effect on our defense bill, our security posture, and the security of Europe. Senator Levin.

Senator LEVIN. Thank you, Mr. Chairman. Let me add my welcome to the panel. First, Secretary Hadley, let me ask you about our troop levels in Europe now. They are currently at about 310,000 troops on the ground in Europe, and this was a number which we considered to be sufficient before the Berlin Wall fell, when there was a Warsaw Pact that was cohesive. There have been such dramatic changes now, the threat has been significantly reduced. What is the level of troops that you believe we now need in Europe to meet the significantly reduced threat?

Mr. HADLEY. Senator, I cannot give you a specific number. We are trying to develop that number. I can tell you, give you some sense of its character and how you might, how we hope to try and derive it.

Senator LEVIN. I would rather have a timetable and an approximation than a whole process. What is the timetable for an answer to that question as to what level of troops we now need in Europe, given the reduced threat?

Mr. HADLEY. There is a process going on within NATO now to relook at all aspects of NATO strategy and to try and examine what the world will be like, the world that, you know, we are still 4, 5 years away from, after CFE is implemented and the Soviets are all home in the Soviet Union.

Senator LEVIN. I am not talking about that. I am talking about assuming the Soviets are not home in the Soviet Union. I am talking about right now. We have a significantly reduced threat right now, before they are home. What is the level of troops we need now, if there were no changes in the Soviet troop level?

Mr. HADLEY. One, we know it is clearly below 300,000. The President indicated that he was prepared to go with a 225,000 figure.

Senator LEVIN. Now?

Mr. HADLEY. That was at a time when we had the Ottawa arrangement, which would have been a part of the CFE agreement and which would have been implemented over time. The implementation over time is something General Sewall can talk about. We are clearly building down, but one of the things that General Powell has been very articulate on is the need to try and build down slowly over time.

Senator LEVIN. I appreciate all that, but what I am asking for is, assuming no reduction in Soviet troop level, just the change in the Warsaw Pact, the fact there is none for all intents and purposes. There is obviously a significantly reduced threat right now, given the level of Soviet troops and the level of Soviet materiel. Right now.

Mr. HADLEY. Yes, sir.

Senator LEVIN. How many troops do we need right now, given the reduced threat, is my question. Not how many will we need if they reduce it further, or if they reduce their troops and materiel. Can you give us an approximation?

Mr. HADLEY. I can give you two answers, and I think you will be satisfied with neither of them.

Senator LEVIN. How about a third answer that I might be satisfied with? [Laughter.]

Mr. HADLEY. I'll try. I'll try. One, Secretary Cheney announced a 40,000 reduction over the coming fiscal year. Two, we know the number is going to be down probably below that 195,000 level. What there has been discussions about is this notion of a robust corps with associated airwings. I do not think people have formally definitized and converted that into a specific number; that is the kind of character of the force.

Senator LEVIN. How did the Department of Defense arrive at that 40,000 unilateral reduction now in the absence of any agreement on what the Soviets would do? Why is it 40,000 and not 60,000?

Mr. HADLEY. I cannot answer 40,000 versus 60,000. I can tell you that that number—an announcement was made in anticipation of a CFE agreement. It was made before a CFE agreement because you have to make the announcement so that, 3 months in advance, you can actually take the forces out.

Senator LEVIN. Now that there is not going to be a CFE agreement in phase 1 on troops, is that 40,000 still going to be removed?

Mr. HADLEY. Yes, sir.

Senator LEVIN. And how, then, was the 40,000 arrived at? Give us some understanding as to why it is not 60,000.

Mr. HADLEY. I am going to see if General Sewall can do that. I cannot.

General SEWALL. I think in all candor, Senator, the money stream we are anticipating was a key driver in the bases we were closing. Troop numbers basically tended to match the closing of bases that we were contemplating, and, as Mr. Hadley said, it also was anticipating the first trance of a CFE drawdown.

Senator LEVIN. Now that we are not going to have a CFE on troop levels in part 1, can we still safely reduce the number of troops in Europe unilaterally by 40,000?

Mr. HADLEY. Yes, Senator, let me——

Senator LEVIN. Now let me ask you, can we safely reduce these troops by 60,000 in Europe unilaterally without any agreement with the Soviets?

General SEWALL. Let me just make a point here, if I could, Senator. You know, I hate to get trapped into these numbers as does Mr. Hadley. I would rather talk of the end capability that we see, and I have used the words corps and its associated airwings. Now there is quite a bit of flexibility to that, because a lot depends on the echelons above corps combat capabilities that you tack on. A lot depends on how you configure your divisions. You could have two brigades instead of three. There are a lot of things we do not have the answer to yet. But, depending on the resources we will have, we as military planners can tailor that corps accordingly. But the corps becomes for us now very important as an operational capability and also an ability to participate with NATO in the multinational corps concept.

Mr. HADLEY. Senator, I think somewhat belatedly I can finally answer your question as to where the 40,000 came from. The plan was based on an assumption that we were going to go down to the 225,000, which was then part of Ottawa over the 3 to 4 years' period of a reduction agreement. And if you take that reduction and figure how you would do it over a 3-year period, the beginning number was 40,000. I think that is, in fact, how it was derived.

Senator LEVIN. My time is up. Just to make, if I could, that one answer clear, even though there is no contemplated agreement now on a troop level, we still, in your opinion, can unilaterally and safely reduce our troops by at least 40,000 this year?

Mr. HADLEY. That is the judgment that has been made, yes, sir.

Senator LEVIN. Thank you. I have some questions for the record.

Chairman NUNN. We are going to go into closed session in a minute. If I could follow up on that one. I guess, Mr. Secretary, we can safely reduce it by more than that, because we are going to rotate thousands of troops from Europe to Saudi Arabia, are we not?

Mr. HADLEY. My understanding is most of those 40,000 will be taken out of the force.

Chairman NUNN. Those are the ones withdrawn from NATO.

Mr. HADLEY. That is right.

Chairman NUNN. But you are also going to rotate a number of additional forces that are not part of that 40,000 to Saudi Arabia, as I understand it.

Mr. HADLEY. You may be right, Mr. Chairman. I cannot speak to that. I do not know the answer. General Sewall?

General SEWALL. We are looking at that, Mr. Chairman.

Chairman NUNN. Yes, sir. But those forces, as I understand it, that would be rotated to Saudi Arabia, would have in view of rotating them there and then rotating them back to Europe, is that right, rather than a permanent withdrawal?

General SEWALL. That could be one outcome, but, again, depending on the final shape of the CFE agreement, it could be that those forces might in fact leave the structure. So there are a number of outcomes, if you went that route of rotating forces out of Europe.

Chairman NUNN. But we are not going to know about the CFE agreement in terms of manpower for some time, are we?

Mr. HADLEY. No, but we do know about equipment levels and they are related to manpower. And that is why people are comfortable with 40,000 because our equipment levels are going down as a result of the CFE agreement. And that will necessarily bring your manpower levels down. So while there is no longer a manpower element of CFE 1, there is an equipment element which will drive the manpower down.

Chairman NUNN. General, when you go back, if you would—I will also talk to the Secretary of Defense on this—but if you would pass the word on that we understand the early stages of this bill, certain information you did not want to spread around and you were building up and so forth. But we need, either classified or unclassified, to get a list of the general units that are deployed in Saudi Arabia, how many are there now, how many are in transit, where the plans are to go, and so forth.

We cannot make decisions in this conference that we are going to finish next week without knowing some of that. And the time—we have been very patient, we understand the situation. We have gotten some informal views and so forth, but we need a piece of paper from the Department of Defense that shows the force levels over there. And it can be classified or however you like it, but those of us dealing with manpower and deployments and making these decisions on the budget are going to have to have that. If you could pass that word on, Mr. Secretary and General, and if need be, I will talk to Secretary Cheney about it, but I would like for the next move to be on your part to get back with me with that request.

Mr. HADLEY. We will do it, sir, Mr. Chairman.

[The information follows:]

a. The total personnel strength of U.S. and military forces in the U.S. Central Command Theater of Operations [deleted] as of October 18, 1990.

b. The following is a listing of the general units that are deployed and en route to the region.

U.S. Central Command Headquarters: [Deleted]

U.S. Army: [Deleted]

- XVIII Airborne Corps Headquarters
- VIII Airborne Corps Artillery
- 82nd Airborne Division
- 101st Airborne Division (Air Assault)
- 12th Aviation Brigade
- 24th Infantry Division (Mechanized)
- 197th Separate Infantry Brigade
- 11th Air Defense Artillery Brigade [deleted]
- [Deleted.]
- 3rd Armored Cavalry Regiment
- III Corps Artillery [deleted]
- 1st Cavalry Division [deleted]
- 1st Brigade, 2nd Armored Division [deleted]

U.S. Air Force: [Deleted]

- [Deleted] anti-air aircraft)
- [Deleted] Dual Role [deleted] anti-air and attack aircraft)
- [Deleted] Air-Ground [deleted] attack aircraft)

U.S. Navy: [Deleted]

- [Deleted] Aircraft Carriers
- [Deleted] Battleship
- [Deleted] Command Ships
- [Deleted] Escort Ships
- [Deleted] Auxiliary Ships
- [Deleted] Amphibious Ships

[Deleted] Hospital Ships
[Deleted] Mine Sweeper Ships
[Deleted] Mine Countermeasures Ship
East Mediterranean Sea: [Deleted]
[Deleted] Aircraft Carrier (not included in total figure)
[Deleted] Escorts
[Deleted] Auxiliary
U.S. Marine Corps: [Deleted]
1 Marine Expeditionary Force
4th Marine Expeditionary Brigade [deleted]
13th Marine Expeditionary Unit [deleted]
Special Operation Forces: [Deleted]
Following the deployments that are projected to close by the end of October 1990, [deleted]. Our next challenge is to develop a credible and supportable rotation policy in coordination with the needs of Central Command and the capabilities of the services.

Chairman NUNN. Senator Levin.

Senator LEVIN. Just a couple more questions on that issue, because I have been really dissatisfied with the fact that we have not moved some of our troops in Europe to Saudi Arabia. It seemed to me that we should have moved more troops and more materiel than we have. I wonder if we could get for the record now an estimate as to how many troops we have moved from Europe to Saudi Arabia. Could you give us an estimate now?

General SEWALL. On the total number, Senator, no. I do not have that handy, but we have moved helicopter units, we have moved C-130s, F-111s, and an F-16 squadron from the 401st. So there have been a number of primarily air and some medical detachments and things of that nature, but I will have to come back for the record with a precise number.

[The information follows:]

The U.S. European Command (USEUCOM) has deployed [deleted] units of varying sizes to the Central Command (USCENTCOM) Theater of Operations. A total of approximately [deleted] personnel have participated in the deployments from USEUCOM to USCENTCOM. The following is a general listing of USEUCOM units that have deployed to the USCENTCOM area:
[Deleted]
[Deleted] C-130 Aircraft
[Deleted] F-16 Aircraft
[Deleted] F-111 [deleted]
[Deleted] F-4G [deleted]
[Deleted] Army Combat Aviation Brigade

Senator LEVIN. With the troop number. And, Mr. Secretary, you said that to some extent the troop level will be driven by the equipment reductions. Can you give us the numbers that drive us to take the equipment levels which have been agreed to and what number does that drive us to?

Mr. HADLEY. There has been an effort within NATO to figure out how the reductions would be apportioned under the allies, and there is a set of numbers. Unfortunately it was based on some of the ceilings that have just been changed in New York over the weekend, so they will have to be revised. I do not have those numbers with me now.

Senator LEVIN. If you could submit those for the record.

Mr. HADLEY. Yes, sir.

[The information follows:]

It should be emphasized that, due to the high proportion of support units in the U.S. Army and Air Force in Europe, the reduction of treaty-limited equipment

(TLE) through implementation of the CFE Treaty would not, in and of itself, necessarily lead to significant reductions in stationed U.S. manpower. However, ongoing rationalization of U.S. conventional force structure may mandate a smaller U.S. force in Europe.

Senator LEVIN. Are each of the allies going to take about the same proportion of troop reduction?

Mr. HADLEY. No, sir. The United States is taking a heavily disproportionate reduction of the equipment.

Senator LEVIN. And are we going to take a larger proportion of troop reductions, too? Percentage-wise, will we be taking about the same percentage as Belgium?

Mr. HADLEY. I cannot address that now. I would have to do that for the record.

Senator LEVIN. If you would do that also for the record.

[The information follows:]

We anticipate a relationship between equipment levels and troop levels, but we cannot yet generalize as to what it will be. Individual nations' equipment levels under CFE will be decided this November. Meanwhile, results of NATO consultations on the separate question of troop levels will not authoritatively emerge for some months yet.

Senator LEVIN. Finally, could you just give us your opinion as to whether we can safely, in fiscal year 1991, reduce our troops on the ground in Europe by 60,000? General, let me start with you. Could we safely reduce our troop level by 60,000?

General SEWALL. 60,000 beyond the 40,000 that we are already programmed?

Senator LEVIN. No, 60,000 instead of 40,000.

General SEWALL. I would have to say we are looking at a number of levels, Senator. And, again, I go back to the capability you want on the ground afterwards. I think what I mentioned in terms of a corps could be maintained and sustained with that sort of reduction.

[The information follows:]

The question needs to be addressed at two different levels. First, whether we can reduce our troops at greater rates and preserve the nature of the all-volunteer force. Second, whether we can safely reduce our troops given the changing nature of the threat to Europe.

Our analysis indicates that the maximum rate of reduction the Army can sustain without damaging the force is 2 percent per year. I do not believe that 2 percent rate should be increased because of the uncertainty remaining in European security and the long-term damage it would cause in the quality of the all-volunteer force that, as you know, we have spent a decade improving.

When troop strength is reduced without corresponding reductions in force structure, it results in undermanning. Undermanning of units creates a "hollow force" undercutting training and readiness. Reductions greater than 2 percent also require instituting early retirements and reducing the incentives for military service that have greatly benefited the all-volunteer force.

The 2 percent reduction translates to 35,000 troops per year for the Army worldwide. Of that 35,000 troops, in fiscal year 1991, 30,000 will come from the U.S. troops deployed in Europe. Whether we could safely reduce our forces in Europe by more than 30,000 troops in fiscal year 1991, based on the changing threat to Western Europe, depends on a number of factors: whether the Soviet Union continues its current reform orientation, whether other sources of instability arise in Europe, whether the Conventional Forces in Europe (CFE) agreement is signed and implemented, and whether the structure of security in Western Europe continues to consolidate. I believe that the level of uncertainty in the short term argues for controlled reductions. In summary, the rationale for limiting reductions to 30,000 is based on the need to preserve the all-volunteer force and on the uncertainty of future developments.

Senator LEVIN. Mr. Secretary, could we safely reduce our ground forces in Europe by 60,000 troops instead of 40,000 as planned in 1991 fiscal?

Mr. HADLEY. I cannot answer that, Senator. We would have to look at it and do the analysis.

Senator LEVIN. Thank you.

Chairman NUNN. Thank you, Senator Levin. That is all the questions I have for our open hearing. I would ask the witnesses—Mr. Hadley, you want to add something else?

Mr. HADLEY. Mr. Chairman, two things. One, General Sewall and I would like to add to the record if we could, in response to Senator Gore's question on access, air activity in the GDR. There is one reservation whether there are air rights attached to our presence in Berlin up until 1994, and we will look into that and provide it for the record.

Second, on the relative manpower cuts that Senator Levin asked about. We will look at it. Most of the allies have not converted it into manpower, so I am not sure we are going to be able to come up with numbers that are particularly useful. I think we will do somewhat better on the equipment.

Thank you, Mr. Chairman.

[The information follows:]

GERMAN SETTLEMENT FOR NATO STRATEGY AND U.S. MILITARY PRESENCE IN EUROPE

Article 5, paragraph 1 of the treaty states that during the period of the Soviet withdrawal, armed forces of other states (besides Germany and the Soviet Union) will not "carry out any other military activity" in the GDR. This provision is interpreted to prohibit aerial overflights, except for the continuation of such overflights as in the past were connected with the presence of allied troops in Berlin (as provided for by Article 5, paragraphs 1 and 2). After the Soviet withdrawal, such air activity could only take place with the approval of the Federal Republic in accordance with Article 5, paragraph 3.

Chairman NUNN. The Germans themselves are making plans for very substantial reductions, so I think in the answer to that question, what we would want is not simply what has already transpired, but the plans that you know about.

Mr. HADLEY. Yes, sir.

Senator LEVIN. You indicated that the troop level, Mr. Secretary, was driven by the equipment cuts, so that is the reason for the question. You indicated that the troop level was to some extent, at least, driven by the cuts in equipment. So the follow-up question is, well, then, give us what comes out of the pipeline at the other end.

Mr. HADLEY. Absolutely. It is a question of how far along the national planning forces are—the planning is. As the chairman suggests, the Germans obviously are very far along. The Brits have done some thinking about it, obviously. Whether the Dutch and the Belgians have, quite frankly, I cannot tell you.

Chairman NUNN. Mr. Secretary, this committee and other committees in the Senate itself may rely and will rely on your testimony and others that have been here today as well as other testimony to judge the interpretation of this treaty, to judge the question of whether this treaty is in U.S. national security interest, to judge the final vote on whether the Senate should ratify the treaty.

So any questions that you, after you review the record and you take a look at any questions that have not been fully answered, or

if you see any changes that need to be made in your testimony, if you would get that to us as soon as possible. We may be voting on this treaty as early as next week.

Mr. HADLEY. Yes, sir, Mr. Chairman, we will do it.

Chairman NUNN. Thank you very much. And those of you who are going to testify in the classified session, I would ask you to join me in SR-232 across the hall where we have that set up for a classified session.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR SAM NUNN

NUCLEAR COMMAND ARRANGEMENTS

Senator NUNN. The administration has taken the position that the German renunciation in this treaty of "control over" nuclear weapons does not alter or undercut current U.S./German Programs of Cooperation on so-called "dual key" theater nuclear systems. Please describe the sequence of events [deleted].

General SEWALL. [Deleted.]

Senator NUNN. Once the warheads are mounted on the delivery vehicles, is there [deleted].

General SEWALL. [Deleted.]

Senator NUNN. Could the [deleted].

General SEWALL. [Deleted.]

Senator NUNN. Is it fair to say, then, that [deleted] these nuclear weapons?

General SEWALL. [Deleted.]

Senator NUNN. If so, is there then any contradiction between that arrangement and Germany's renunciation in this treaty of "control over" nuclear weapons?

General SEWALL. No. In fact, the language in this treaty is quite similar to the language of the Treaty on the Non-Proliferation of Nuclear Weapons, or NPT. Article 2 of the NPT also uses the term "control over," so that formulation has applied to the FRG since it became a signatory. The international reviews of the NPT conducted every 5 years have not disclosed any objections to the Programs of Cooperation; the United States, FRG, and all other allies have been found to be in full compliance with the NPT. This German treaty language merely extends the same NPT commitment to the united Germany.

QUESTIONS SUBMITTED BY SENATOR JOHN WARNER

BURDEN-SHARING

Senator WARNER. Secretary Hadley, according to press reports, Germany has agreed to pay the Soviets over $8 billion to withdraw their forces from Eastern Germany. The bulk of these funds would be used to resettle Soviet forces in the U.S.S.R. However, a portion of the payment—approximately $2 billion—is intended to pay for the maintenance of Soviet troops in Eastern Germany until their withdrawal. Under what agreement or treaty will these payments be made by Germany, and what is the status of that agreement? Are the amounts cited accurate?

Mr. HADLEY. The Soviet-German agreement stipulating the financial arrangements associated with the Soviet troop withdrawal from Eastern Germany was signed in Bonn on October 9. By the terms of the agreement (the so-called "Transition Treaty" or "Ueberleitungsvertrag"), the Germans agreed to provide the Soviets DM 12 billion (currently $8.7 billion) in assistance and to pay interest of approximately DM 1 billion on a DM 3 billion line of credit. Article 1 of this treaty stipulates that the Soviet Union is actually responsible for the costs and expenditures of maintaining its troops in the five East German states and East Berlin. However, as you note, the Germans also agree to contribute DM 3 billion during the period from 1991 to 1994 to a transitional fund from which the Soviets can draw to cover these costs and expenditures. Article 2 provides DM 1 billion to cover transportation costs of the Soviet withdrawal. By Article 3, the FRG agrees to partial funding (DM 7.8 billion) of a civilian construction program to build housing for the withdrawn troops in the European part of the Soviet Union. In Article 4, the FRG allocates DM 200 million to existing programs of cooperation as part of the construction program established in Article 3 to retrain withdrawn troops for integration in the Soviet work force. Other articles of the treaty address areas where the Soviets owe compensation

to the Germans (e.g., the East German trade surplus and the environmental damages associated with the Soviet troop presence).

Senator WARNER. Secretary Hadley, why should the United States spend billions of dollars and commit over 300,000 American military personnel to defend Europe, and particularly Germany, from Soviet forces, while the Germans are paying the Soviets to maintain a forward presence in Eastern Germany?

Mr. HADLEY. The bulk of the German payments will be associated with measures to speed the Soviet withdrawal, which is a goal shared by the United States, the Germans, and our other NATO allies.

As a practical matter, the withdrawal of nearly 400,000 Soviet troops plus their civilian components and dependents is not possible logistically in a few weeks. It could not even occur in a few months without severe dislocations in the Soviet Union.

By the terms of the bilateral German-Soviet "transition treaty," the Soviets will remain responsible for the costs and expenditures of maintaining their presence in Eastern Germany until the withdrawal is complete. However, the Germans have agreed to contribute DM 3 billion during the period from 1991 to 1994 to a transitional fund from which the Soviets can draw to cover these costs and expenditures.

The Germans have structured the overall package, including the payments to the fund the Soviets can draw upon to maintain their troops in Germany before they are withdrawn, in such a way as to provide incentives for a speedy withdrawal.

A Soviet withdrawal from Germany should result in reduced security expenditures for all NATO countries and is a goal we all share, since the protection of European security is also in the U.S. interest. However, the Germans are bearing the costs alone.

Senator WARNER. Secretary Hadley, has there been or will there be any discussion between the United States and the united Germany about similar compensation for United States forces which will continue to be stationed in Germany?

Mr. HADLEY. The German Government has agreed to continue financial support for our military forces in Berlin in the same manner as before unification. We will also negotiate with the German Government to determine the residual value of military facilities which will be returned to the German Government.

GERMAN-SOVIET TREATY ON TROOP WITHDRAWALS

Senator WARNER. Secretary Hadley, according to Article 4, the Soviet Union and the united Germany will negotiate a bilateral treaty dealing with the issue of Soviet troop withdrawals. Could this treaty possibly alter the terms of the Soviet troop withdrawal set forth in Article 4 of the Treaty on Final Settlement which is currently before the Senate?

Mr. HADLEY. Article 4 of the FRG-Soviet Treaty on Stationing and Withdrawal requires the withdrawal to be completed by the end of 1994, and for both parties to establish and coordinate measures to accomplish this objective. We see no conflict between this article and Article 4 of the Treaty on the Final Settlement.

Senator WARNER. Secretary Hadley, to your knowledge, does this treaty contain any provisions conditioning Soviet troop withdrawals on German force reductions or a CFE agreement?

Mr. HADLEY. There is a statement in paragraph 1 of Article 4 of the Treaty on the Final Settlement that the withdrawal of Soviet forces will be completed by the end of 1994. This is a legally-binding Soviet commitment and represents the achievement of a key security goal. Article 4 also indicates that this commitment will be covered in the Soviet-FRG Stationing and Withdrawal Treaty. This treaty has been signed. Thus, the Soviet withdrawal is not directly linked to the German reduction or a CFE agreement.

Senator WARNER. Secretary Hadley, are there other conditions on Soviet withdrawals or any provisions for an extended presence beyond 1994?

Mr. HADLEY. There are no conditions on Soviet withdrawal or any provisions for an extended presence beyond 1994.

GERMAN FORCE REDUCTIONS/MANPOWER NOT IN CFE

Senator WARNER. Mr. Dobbins, referring to Article 3 which links German force reductions to the "entry into force" of a CFE agreement, will these reductions begin regardless of whether the overall issue of manpower in Europe is included in a CFE agreement?

Mr. DOBBINS. Counsellor Zoellick addressed this issue in his testimony before the Senate Foreign Relations Committee on September 28, and I would like to quote him. He said:

"The German statement [quoted in Article 3] is a unilateral political commitment. The reference to the CFE treaty is a reference to when they [the Germans] would begin the reductions, and so the specific commitment to reduce German forces is not linked to that date, although the date does set the beginning of those reductions. So in what I expect would be the highly unlikely—and I certainly hope does not happen—event, that there is not a CFE agreement, it would be presumably up to the Germans to specify a different date for beginning, but their commitment is separate therefrom and is in the nature of a politically binding statement."

In other words, in the unlikely event a CFE agreement is not signed, we would expect the Germans to go ahead with their reduction.

One of the major concerns in negotiating this agreement was to avoid singularizing Germany by creating a legally binding troop reduction that would apply to Germany alone among the allies. The mechanism we chose was to link the German statement on reductions to the CFE agreement which contains obligations for all concerned nations. However, as Counselor Zoellick noted, this linkage does not detract from the politically binding nature of the German commitment.

NUCLEAR WEAPONS IN GERMANY

Senator WARNER. General Sewall, what are our current arrangements to provide German forces with theater nuclear weapons?

General SEWALL. [Deleted.]

Senator WARNER. General Sewall, how will these arrangements (current arrangements to provide German forces with theater nuclear weapons) change with German unification?

General SEWALL. [Deleted.]

Senator WARNER. General Sewall, what limitations does the proposed treaty place on our ability to provide Germany with theater nuclear weapons in the event of an attack?

General SEWALL. None, other than the fact that no NATO nuclear weapons can be located in what was East Germany. The United States' ability to provide Germany with such weapons is undiminished by this treaty.

Senator WARNER. General Sewall, what changes, if any, will occur in our present arrangements to support:

[Deleted.]

General SEWALL. No changes will occur in our present arrangements to support [deleted].

Senator WARNER. General Sewall, how does the proposed treaty affect:

— The deployment of U.S. nuclear weapons on German soil?

— Present arrangements with Germany affecting the nuclear support of U.S. forces on German soil?

General SEWALL. The proposed treaty does not affect deployment of U.S. nuclear weapons, other than no U.S. nuclear weapons are allowed to be located in what was East Germany. The ability to deploy U.S. weapons on what was East German soil would be contingent on a German Government decision taking into account mutual security interests.

The proposed treaty does not affect present arrangements for the support of U.S. forces on German soil either. Since no U.S. forces will be stationed in Eastern Germany, no such support is needed there for U.S. forces. Nuclear support for U.S. forces in Western Germany remains undiminished by the treaty provisions.

GERMAN FORCE LEVEL/CONSULTATION WITH MILITARY

Senator WARNER. Secretary Hadley and General Sewall, Article 3 sets a ceiling of 370,000 German military personnel within 3 or 4 years. Did the Germans consult the U.S. Government, including the Department of Defense and the Joint Chiefs of Staff, about this ceiling? Did the Germans consult with officials in the NATO military command structure?

Mr. HADLEY and General SEWALL. The German Government did not formally consult with the U.S. Government prior to agreeing to limit their forces to 370,000 men in the Treaty on the Final Settlement. Informal discussions, however, have been in progress for the last year between NATO military authorities and the German ministry of defense. By early summer 1990, NATO military planners were using a rough figure of between 350,000 and 400,000 men in German armed forces upon completion of Soviet withdrawal. The U.S. Government was aware of this planning figure.

Senator WARNER. Secretary Hadley and General Sewall, what are the views of the Department of Defense and the Joint Chiefs of Staff on this level of German troops

in the future? What is the impact of lowered German troop levels on NATO security, assuming that the united Germany will choose to be a member of NATO?

Mr. HADLEY and General SEWALL. With the announced ceiling of 370,000 troops, Germany will continue to have the largest land force in the central region. We consider this to be adequate for the defense of a united Germany and for a continued substantial German contribution to NATO security.

SOVIET TROOP WITHDRAWALS/SUBJECT TO LATER TREATY

Senator WARNER. Secretary Hadley, Article 4 refers to a treaty between the united Germany and the Soviet Union on the issue of Soviet withdrawal from Eastern Germany. Please advise me of the status of that treaty and the terms that have been agreed upon to date, if any.

Mr. HADLEY. The FRG-Soviet Treaty on Stationing and Withdrawal of Soviet troops was signed in Bonn on October 12, 1990.

Senator WARNER. Secretary Hadley, specifically, will the treaty contain any language linking Soviet troop withdrawals to the withdrawal of U.S. or NATO troops from German territory?

Mr. HADLEY. There is no linkage between Soviet troop withdrawal from the former GDR to the withdrawal of U.S. or NATO troops from NATO territory.

Senator WARNER. Secretary Hadley, would the Soviets be required to withdraw their troops from Eastern Germany by the end of 1994 if the parties are unable to agree on such a treaty?

Mr. HADLEY. The FRG-Soviet Treaty on Stationing and Withdrawal, signed on October 12, 1990, contains a provision for the withdrawal of Soviet forces from Eastern Germany by the end of 1994.

GERMAN FORCE REDUCTION/CFE CONNECTION

Senator WARNER. Secretary Hadley, Article 3 of the treaty states that the united Germany will reduce its overall troop level to 370,000, commencing with the "entry into force" of a CFE treaty. While the negotiations are progressing well at this time, it is still not certain that a CFE agreement will be completed and ready for signing at the November CSCE meeting in Paris, as is currently planned. In addition, ratification of a CFE treaty in the Senate will likely not even begin until detailed verification provisions have been agreed—a process which may not be completed until mid-1991 or later. What is your realistic assessment of a date when German force reductions are expected to begin? Is it your understanding that reductions will begin in November of this year, regardless of the outcome of the CFE negotiations? Or is the united Germany expected to adhere to the letter of Article 3 and begin reductions only if and when a CFE agreement technically "enters into force?"

Mr. HADLEY. The treaty states that the united Germany will reduce its overall troop level to 370,000 after the entry into force of a CFE treaty. At this time it appears likely that reductions will begin at the end of this year, due to defense budget constraints in Germany, regardless of how far treaty ratification has progressed.

SOVIET TROOP WITHDRAWALS

Senator WARNER. Mr. Dobbins, according to Article 4 of the treaty, Soviet troop withdrawals from the territory of the former German Democratic Republic are to be completed by the end of 1994, "in connection with" German force level reductions to 370,000 noted in Article 3. Further, Article 3 states that German force reductions will begin "on the entry into force of the first CFE agreement." Does this connection between Soviet troop withdrawals and German force reductions make the Soviet troop withdrawals dependent on both the conclusion of a CFE agreement and German reductions? How binding is the Soviet commitment to complete their troop withdrawal from German territory by 1994?

Mr. DOBBINS. The Soviets have made a legally binding commitment to withdraw their forces by the end of 1994, both in this treaty and in their bilateral treaty on stationing and withdrawal with the Germans, which was signed on October 12 and is currently undergoing ratification by both parties.

According to Article 4 of the bilateral Soviet-German treaty, the Soviet withdrawal will begin when the treaty enters into force and will proceed in stages, concluding at the latest by the end of 1994.

Article 4 of the bilateral stationing and withdrawal treaty makes no reference to conditions that must be fulfilled for the Soviets to withdraw.

LINK BETWEEN SOVIET AND GERMAN FORCE REDUCTIONS

Senator WARNER. Mr. Dobbins, Article 4 contains a phrase which appears to establish a linkage between Soviet troop withdrawals from Eastern Germany and German force reductions. The phrase "in connection with the implementation of the undertaking . . . referred to in paragraph 2 of Article 3 of the present treaty" could be interpreted to establish a connection between any of several actions or agreements referred to in these two articles, such as the settlement of a German/Soviet treaty and completion of a CFE agreement, the settlement of a German/Soviet treaty, and the beginning of German force reductions, or the completion of Soviet troop withdrawals and the completion of German force reductions. Please explain the connection which this language is intended to establish. Are there specific references in the negotiating record which could be cited to clarify this issue?

Mr. DOBBINS. Article 4 of the Final Settlement Treaty says that the German-Soviet statement of intent to settle by treaty the terms for the Soviet presence during the period of the Soviet withdrawal is made in connection with the German statement that the levels of German troops will be reduced. As noted in response to the previous question, the Soviets have made a *legally* binding commitment to withdraw their troops. The German commitment, on the other hand, is a *politically* binding commitment to reduce their troop levels. It is a commitment which we expect the Germans to keep. Article 4 indicates that while the statements of intent (1) to sign the Soviet-German treaty and (2) to reduce German troop levels are made in the same context, the Soviet withdrawal itself is not directly linked to the German reduction. Indeed, as we have seen, the Soviets have already signed the bilateral treaty with the Germans referred to in this article settling the conditions of their limited presence and the timeframe for their phased withdrawal.

SOVIET TROOP WITHDRAWALS/AMBIGUOUS LANGUAGE

Senator WARNER. Mr. Dobbins, Article 4 contains the phrase "which will be completed by the end of 1994," but it is unclear to what action or agreement this phrase refers. Does this phrase refer to the treaty between the united Germany and the Soviet Union, or does it refer to withdrawal of Soviet troops from the Eastern part of Germany, or does it refer to some other action or agreement?

Mr. DOBBINS. It refers to the withdrawal of Soviet troops from the eastern part of Germany and Berlin.

SOVIET TROOP WITHDRAWALS/BEFORE 1994

Senator WARNER. Mr. Dobbins, Article 4 could be read to require withdrawal of all Soviet troops from German territory by the end of 1994. Does this article, in effect, give the Soviets the right to retain their military presence in Eastern Germany even if the Germans want them out sooner?

Mr. DOBBINS. By agreeing to Article 7, the Soviets are terminating their right to station troops in Germany. In Article 4 of this treaty and in the bilateral Soviet-German treaty, the Soviets agree to withdraw by the end of 1994. (The Soviet-German treaty even suggests that the withdrawal may be concluded earlier by stating that it will be "ended at the latest by the end of the year 1994.") What Article 4 also speaks of, and the bilateral treaty further defines, are the regulations which govern the Soviet presence until the withdrawal is completed. We do not interpret either this article or the bilateral treaty as giving the Soviets the right to stay "even if the Germans want them out sooner." In the final analysis, it is up to the Germans and the Soviets to work out the modalities and timing for the Soviet withdrawal.

[Whereupon, at 4:02 p.m., the hearing was adjourned.]

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